



HEALTH ANNUAL STATEMENT
FOR THE YEAR ENDED DECEMBER 31, 2015
OF THE CONDITION AND AFFAIRS OF THE
Anthem Health Plans of Maine, Inc.

NAIC Group Code 0671 0671 NAIC Company Code 52618 Employer's ID Number 31-1705652
(Current) (Prior)
Organized under the Laws of Maine, State of Domicile or Port of Entry Maine
Country of Domicile United States of America
Licensed as business type: Other
Is HMO Federally Qualified? Yes [] No [X]
Incorporated/Organized 03/10/2000 Commenced Business 06/05/2000
Statutory Home Office 2 Gannett Drive, South Portland, ME, US 04106-6911
(Street and Number) (City or Town, State, Country and Zip Code)
Main Administrative Office 2 Gannett Drive
(Street and Number)
South Portland, ME, US 04106-6911, 866-583-6182
(City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)
Mail Address 2 Gannett Drive, South Portland, ME, US 04106-6911
(Street and Number or P.O. Box) (City or Town, State, Country and Zip Code)
Primary Location of Books and Records 2 Gannett Drive
(Street and Number)
South Portland, ME, US 04106-6911, 866-583-6182
(City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)
Internet Website Address www.anthem.com
Statutory Statement Contact Dan Wolke, 317-488-6245
(Name) (Area Code) (Telephone Number)
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(E-mail Address) (FAX Number)

OFFICERS

President and Chairperson Daniel Patrick Corcoran Treasurer Robert David Kretschmer
Secretary Kathleen Susan Kiefer Assistant Secretary and Clerk Lendall Libby Smith Esq.

OTHER

Mark Daniel Justus #, Valuation Actuary Eric (Rick) Kenneth Noble, Assistant Treasurer

DIRECTORS OR TRUSTEES

<u>Daniel Patrick Corcoran</u>	<u>Carter Allen Beck</u>	<u>Kathleen Susan Kiefer</u>
<u>Wayne Scott DeVeydt</u>	<u>Robert David Kretschmer</u>	<u>John Edward Gallina</u>
<u>Catherine Irene Kelaghan</u>		

State of Maine SS:
County of Cumberland

The officers of this reporting entity being duly sworn, each depose and say that they are the described officers of said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to, is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively. Furthermore, the scope of this attestation by the described officers also includes the related corresponding electronic filing with the NAIC, when required, that is an exact copy (except for formatting differences due to electronic filing) of the enclosed statement. The electronic filing may be requested by various regulators in lieu of or in addition to the enclosed statement.

Daniel P. Corcoran
Daniel Patrick Corcoran
President

Kathleen Susan Kiefer
Kathleen Susan Kiefer
Secretary

Robert David Kretschmer
Robert David Kretschmer
Treasurer

Subscribed and sworn to before me this 17th day of February, 2016
Sharon W. Berry

- a. Is this an original filing? Yes [X] No []
b. If no,
1. State the amendment number.....
2. Date filed
3. Number of pages attached.....

SHARON W. BERRY
Notary Public, Maine
My Commission Expires January 8, 2017

ANNUAL STATEMENT FOR THE YEAR 2015 OF THE Anthem Health Plans of Maine, Inc.

ASSETS

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 Net Admitted Assets
1. Bonds (Schedule D)	205,859,810		205,859,810	200,748,393
2. Stocks (Schedule D):				
2.1 Preferred stocks			0	0
2.2 Common stocks			0	0
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens			0	0
3.2 Other than first liens			0	0
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$0 encumbrances)	72,500		72,500	8,573,920
4.2 Properties held for the production of income (less \$0 encumbrances)			0	0
4.3 Properties held for sale (less \$0 encumbrances)			0	0
5. Cash (\$(27,360,673) , Schedule E - Part 1), cash equivalents (\$, Schedule E - Part 2) and short-term investments (\$3,678,914 , Schedule DA)	(23,681,759)		(23,681,759)	(40,375,054)
6. Contract loans, (including \$ premium notes)			0	0
7. Derivatives (Schedule DB)			0	0
8. Other invested assets (Schedule BA)	144,047		144,047	162,097
9. Receivables for securities			0	1,031,416
10. Securities lending reinvested collateral assets (Schedule DL)	11,577,996		11,577,996	7,617,285
11. Aggregate write-ins for invested assets	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11)	193,972,594	0	193,972,594	177,758,057
13. Title plants less \$ charged off (for Title insurers only)			0	0
14. Investment income due and accrued	2,122,767		2,122,767	2,252,040
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	21,586,938	2,155,861	19,431,077	23,664,671
15.2 Deferred premiums and agents' balances and installments booked but deferred and not yet due (including \$18,404,556 earned but unbilled premiums)	18,404,556		18,404,556	19,179,646
15.3 Accrued retrospective premiums (\$484,422) and contracts subject to redetermination (\$474,373)	959,795		959,795	769,392
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers	5,334,848		5,334,848	4,750,648
16.2 Funds held by or deposited with reinsured companies			0	0
16.3 Other amounts receivable under reinsurance contracts			0	0
17. Amounts receivable relating to uninsured plans	25,052,629	7,153,196	17,899,433	15,888,139
18.1 Current federal and foreign income tax recoverable and interest thereon	537,623		537,623	1,292,742
18.2 Net deferred tax asset	19,329,765	4,089,526	15,240,239	13,580,269
19. Guaranty funds receivable or on deposit			0	0
20. Electronic data processing equipment and software			0	9,514
21. Furniture and equipment, including health care delivery assets (\$)	700,152	700,152	0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates			0	0
23. Receivables from parent, subsidiaries and affiliates	15,212,189		15,212,189	12,456,915
24. Health care (\$56,467,928) and other amounts receivable	67,680,080	11,212,152	56,467,928	61,871,986
25. Aggregate write-ins for other than invested assets	53,188,083	896,522	52,291,561	52,857,115
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	424,082,019	26,207,409	397,874,610	386,331,134
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			0	0
28. Total (Lines 26 and 27)	424,082,019	26,207,409	397,874,610	386,331,134
DETAILS OF WRITE-INS				
1101.				
1102.				
1103.				
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0	0
1199. Totals (Lines 1101 thru 1103 plus 1198)(Line 11 above)	0	0	0	0
2501. Federal Employee Program Assets Held by Agent	52,145,433	0	52,145,433	50,007,594
2502. Miscellaneous Receivables	154,498	8,370	146,128	133,521
2503. Prepaid Expenses	497,526	497,526	0	0
2598. Summary of remaining write-ins for Line 25 from overflow page	390,626	390,626	0	2,716,000
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	53,188,083	896,522	52,291,561	52,857,115

LIABILITIES, CAPITAL AND SURPLUS

	Current Year			Prior Year
	1	2	3	4
	Covered	Uncovered	Total	Total
1. Claims unpaid (less \$1,027,561 reinsurance ceded)	101,389,270	936,639	102,325,909	89,966,518
2. Accrued medical incentive pool and bonus amounts	387,804		387,804	2,441,957
3. Unpaid claims adjustment expenses	2,798,397		2,798,397	2,126,370
4. Aggregate health policy reserves, including the liability of \$0 for medical loss ratio rebate per the Public Health Service Act	76,462,791		76,462,791	94,328,224
5. Aggregate life policy reserves			0	0
6. Property/casualty unearned premium reserves			0	0
7. Aggregate health claim reserves	73,930		73,930	78,335
8. Premiums received in advance	14,098,952		14,098,952	13,223,751
9. General expenses due or accrued	5,758,675		5,758,675	6,172,827
10.1 Current federal and foreign income tax payable and interest thereon (including \$ on realized capital gains (losses))	0		0	0
10.2 Net deferred tax liability			0	0
11. Ceded reinsurance premiums payable			0	0
12. Amounts withheld or retained for the account of others	263,376		263,376	332,631
13. Remittances and items not allocated	3,315,626		3,315,626	2,734,314
14. Borrowed money (including \$ current) and interest thereon \$ (including \$ current)			0	0
15. Amounts due to parent, subsidiaries and affiliates	6,395,218		6,395,218	6,303,439
16. Derivatives			0	0
17. Payable for securities			0	0
18. Payable for securities lending	11,577,996		11,577,996	7,617,285
19. Funds held under reinsurance treaties (with \$ authorized reinsurers, \$0 unauthorized reinsurers and \$0 certified reinsurers)			0	0
20. Reinsurance in unauthorized and certified (\$) companies			0	0
21. Net adjustments in assets and liabilities due to foreign exchange rates			0	0
22. Liability for amounts held under uninsured plans	12,418,917		12,418,917	8,981,977
23. Aggregate write-ins for other liabilities (including \$2,475,787 current)	7,991,629	0	7,991,629	10,806,966
24. Total liabilities (Lines 1 to 23)	242,932,581	936,639	243,869,220	245,114,594
25. Aggregate write-ins for special surplus funds	XXX	XXX	31,868,313	18,002,175
26. Common capital stock	XXX	XXX	2,500,000	2,500,000
27. Preferred capital stock	XXX	XXX		
28. Gross paid in and contributed surplus	XXX	XXX	120,652,900	120,652,900
29. Surplus notes	XXX	XXX	0	
30. Aggregate write-ins for other than special surplus funds	XXX	XXX	0	0
31. Unassigned funds (surplus)	XXX	XXX	(1,015,823)	61,465
32. Less treasury stock, at cost:				
32.1 shares common (value included in Line 26 \$)	XXX	XXX		
32.2 shares preferred (value included in Line 27 \$)	XXX	XXX		
33. Total capital and surplus (Lines 25 to 31 minus Line 32)	XXX	XXX	154,005,390	141,216,540
34. Total liabilities, capital and surplus (Lines 24 and 33)	XXX	XXX	397,874,610	386,331,134
DETAILS OF WRITE-INS				
2301. FEP Special Advance	4,055,934		4,055,934	6,234,119
2302. Escheat Liability	1,444,949		1,444,949	1,268,299
2303. Retroactivity Liability	1,371,418		1,371,418	597,444
2398. Summary of remaining write-ins for Line 23 from overflow page	1,119,328	0	1,119,328	2,707,104
2399. Totals (Lines 2301 thru 2303 plus 2398)(Line 23 above)	7,991,629	0	7,991,629	10,806,966
2501. Estimated ACA Insurer Fee	XXX	XXX	16,942,769	18,002,175
2502. Deferred gain on sale-leaseback transaction	XXX	XXX	14,925,544	0
2503.	XXX	XXX		
2598. Summary of remaining write-ins for Line 25 from overflow page	XXX	XXX	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	XXX	XXX	31,868,313	18,002,175
3001.	XXX	XXX		
3002.	XXX	XXX		
3003.	XXX	XXX		
3098. Summary of remaining write-ins for Line 30 from overflow page	XXX	XXX	0	0
3099. Totals (Lines 3001 thru 3003 plus 3098)(Line 30 above)	XXX	XXX	0	0

STATEMENT OF REVENUE AND EXPENSES

	Current Year		Prior Year
	1 Uncovered	2 Total	3 Total
1. Member Months.....	XXX	3,826,114	3,829,227
2. Net premium income (including \$ non-health premium income)	XXX	1,018,007,768	1,009,056,404
3. Change in unearned premium reserves and reserve for rate credits	XXX	16,459,840	8,366,241
4. Fee-for-service (net of \$ medical expenses)	XXX	0	
5. Risk revenue	XXX	0	
6. Aggregate write-ins for other health care related revenues	XXX	0	0
7. Aggregate write-ins for other non-health revenues	XXX	0	0
8. Total revenues (Lines 2 to 7)	XXX	1,034,467,608	1,017,422,645
Hospital and Medical:			
9. Hospital/medical benefits	6,216,407	685,949,149	672,989,864
10. Other professional services	84,888	9,366,941	8,742,978
11. Outside referrals	0	0	
12. Emergency room and out-of-area	267,308	29,496,079	30,474,005
13. Prescription drugs	1,562,928	172,461,270	169,339,138
14. Aggregate write-ins for other hospital and medical	0	0	0
15. Incentive pool, withhold adjustments and bonus amounts		4,118,598	6,076,787
16. Subtotal (Lines 9 to 15)	8,131,531	901,392,037	887,622,772
Less:			
17. Net reinsurance recoveries		6,982,223	5,859,836
18. Total hospital and medical (Lines 16 minus 17)	8,131,531	894,409,814	881,762,936
19. Non-health claims (net)			
20. Claims adjustment expenses, including \$13,667,749 cost containment expenses		26,622,661	25,002,895
21. General administrative expenses		78,786,392	82,569,667
22. Increase in reserves for life and accident and health contracts (including \$ increase in reserves for life only)		(1,122,826)	1,425,549
23. Total underwriting deductions (Lines 18 through 22).....	8,131,531	998,696,041	990,761,047
24. Net underwriting gain or (loss) (Lines 8 minus 23)	XXX	35,771,567	26,661,598
25. Net investment income earned (Exhibit of Net Investment Income, Line 17)		7,975,983	8,862,021
26. Net realized capital gains (losses) less capital gains tax of \$(44,971)		165,906	314,706
27. Net investment gains (losses) (Lines 25 plus 26)	0	8,141,889	9,176,727
28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$) (amount charged off \$6,256)]		(6,256)	(40)
29. Aggregate write-ins for other income or expenses	0	25,931	34,678
30. Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29)	XXX	43,933,131	35,872,963
31. Federal and foreign income taxes incurred	XXX	21,759,423	16,721,008
32. Net income (loss) (Lines 30 minus 31)	XXX	22,173,708	19,151,955
DETAILS OF WRITE-INS			
0601.	XXX		
0602.	XXX		
0603.	XXX		
0698. Summary of remaining write-ins for Line 6 from overflow page	XXX	0	0
0699. Totals (Lines 0601 thru 0603 plus 0698)(Line 6 above)	XXX	0	0
0701.	XXX		
0702.	XXX		
0703.	XXX		
0798. Summary of remaining write-ins for Line 7 from overflow page	XXX	0	0
0799. Totals (Lines 0701 thru 0703 plus 0798)(Line 7 above)	XXX	0	0
1401.			
1402.			
1403.			
1498. Summary of remaining write-ins for Line 14 from overflow page	0	0	0
1499. Totals (Lines 1401 thru 1403 plus 1498)(Line 14 above)	0	0	0
2901. Miscellaneous Income		25,931	34,678
2902.			
2903.			
2998. Summary of remaining write-ins for Line 29 from overflow page	0	0	0
2999. Totals (Lines 2901 thru 2903 plus 2998)(Line 29 above)	0	25,931	34,678

STATEMENT OF REVENUE AND EXPENSES (Continued)

	1 Current Year	2 Prior Year
CAPITAL AND SURPLUS ACCOUNT		
33. Capital and surplus prior reporting year.....	141,216,540	163,128,767
34. Net income or (loss) from Line 32	22,173,708	19,151,955
35. Change in valuation basis of aggregate policy and claim reserves		
36. Change in net unrealized capital gains (losses) less capital gains tax of \$(6,318)	(11,732)	(28,343)
37. Change in net unrealized foreign exchange capital gain or (loss)		
38. Change in net deferred income tax	2,931,848	(1,267,654)
39. Change in nonadmitted assets	(8,130,518)	3,231,815
40. Change in unauthorized and certified reinsurance	0	0
41. Change in treasury stock	0	0
42. Change in surplus notes	0	0
43. Cumulative effect of changes in accounting principles.....		
44. Capital Changes:		
44.1 Paid in	0	0
44.2 Transferred from surplus (Stock Dividend).....	0	0
44.3 Transferred to surplus.....		
45. Surplus adjustments:		
45.1 Paid in	0	0
45.2 Transferred to capital (Stock Dividend)		
45.3 Transferred from capital		
46. Dividends to stockholders	(19,100,000)	(43,000,000)
47. Aggregate write-ins for gains or (losses) in surplus	14,925,544	0
48. Net change in capital and surplus (Lines 34 to 47)	12,788,850	(21,912,227)
49. Capital and surplus end of reporting period (Line 33 plus 48)	154,005,390	141,216,540
DETAILS OF WRITE-INS		
4701. Deferred gain on sale-leaseback transaction	14,925,544	0
4702.		
4703.		
4798. Summary of remaining write-ins for Line 47 from overflow page	0	0
4799. Totals (Lines 4701 thru 4703 plus 4798)(Line 47 above)	14,925,544	0

CASH FLOW

	1	2
	Current Year	Prior Year
Cash from Operations		
1. Premiums collected net of reinsurance	1,022,313,731	1,004,353,557
2. Net investment income	9,914,101	10,979,658
3. Miscellaneous income	0	0
4. Total (Lines 1 through 3)	1,032,227,832	1,015,333,215
5. Benefit and loss related payments	884,693,181	878,177,793
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts		
7. Commissions, expenses paid and aggregate write-ins for deductions	107,319,735	105,867,657
8. Dividends paid to policyholders		
9. Federal and foreign income taxes paid (recovered) net of \$(44,971) tax on capital gains (losses)	20,959,332	19,292,183
10. Total (Lines 5 through 9)	1,012,972,248	1,003,337,633
11. Net cash from operations (Line 4 minus Line 10)	19,255,584	11,995,582
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds	45,382,832	53,363,059
12.2 Stocks	0	0
12.3 Mortgage loans	0	0
12.4 Real estate	24,909,747	0
12.5 Other invested assets	0	0
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments	0	0
12.7 Miscellaneous proceeds	1,031,416	0
12.8 Total investment proceeds (Lines 12.1 to 12.7)	71,323,995	53,363,059
13. Cost of investments acquired (long-term only):		
13.1 Bonds	52,222,134	59,550,768
13.2 Stocks	0	0
13.3 Mortgage loans	0	0
13.4 Real estate	1,176,592	921,594
13.5 Other invested assets	0	0
13.6 Miscellaneous applications	3,960,711	8,648,701
13.7 Total investments acquired (Lines 13.1 to 13.6)	57,359,437	69,121,063
14. Net increase (decrease) in contract loans and premium notes	0	0
15. Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14)	13,964,558	(15,758,004)
Cash from Financing and Miscellaneous Sources		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes	0	0
16.2 Capital and paid in surplus, less treasury stock	0	0
16.3 Borrowed funds	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities	0	0
16.5 Dividends to stockholders	19,100,000	43,000,000
16.6 Other cash provided (applied)	2,573,153	30,850,259
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)	(16,526,847)	(12,149,741)
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS		
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	16,693,295	(15,912,163)
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year	(40,375,054)	(24,462,891)
19.2 End of year (Line 18 plus Line 19.1)	(23,681,759)	(40,375,054)

Note: Supplemental disclosures of cash flow information for non-cash transactions:

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ANNUAL STATEMENT FOR THE YEAR 2015 OF THE Anthem Health Plans of Maine, Inc.

ANALYSIS OF OPERATIONS BY LINES OF BUSINESS

	1	2	3	4	5	6	7	8	9	10
	Total	Comprehensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Other Health	Other Non-Health
1. Net premium income	1,018,007,768	753,654,720	43,324,066	6,385,837	3,789,069	190,064,080	14,987,204		5,802,792	
2. Change in unearned premium reserves and reserve for rate credit	16,459,840	18,808,755	191,659	(1,698)	(10,004)	(2,137,839)	(391,033)			
3. Fee-for-service (net of \$ medical expenses)	0									XXX
4. Risk revenue	0									XXX
5. Aggregate write-ins for other health care related revenues	0	0	0	0	0	0	0	0	0	XXX
6. Aggregate write-ins for other non-health care related revenues	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
7. Total revenues (Lines 1 to 6)	1,034,467,608	772,463,475	43,515,725	6,384,139	3,779,065	187,926,241	14,596,171	0	5,802,792	0
8. Hospital/medical benefits	685,949,149	503,229,183	34,340,473	4,308,544	3,092,748	122,300,005	12,276,037		6,402,159	XXX
9. Other professional services	9,366,941	24	1,629			9,365,276	12			XXX
10. Outside referrals	0									XXX
11. Emergency room and out-of-area	29,496,079	27,038,625	2,457,454							XXX
12. Prescription drugs	172,461,270	134,247,219	(39,441)			37,039,233	1,213,005		1,254	XXX
13. Aggregate write-ins for other hospital and medical	0	0	0	0	0	0	0	0	0	XXX
14. Incentive pool, withhold adjustments and bonus amounts	4,118,598	3,308,782				737,949	71,867			XXX
15. Subtotal (Lines 8 to 14)	901,392,037	667,823,833	36,760,115	4,308,544	3,092,748	169,442,463	13,560,921	0	6,403,413	XXX
16. Net reinsurance recoveries	6,982,223	6,982,223								XXX
17. Total medical and hospital (Lines 15 minus 16)	894,409,814	660,841,610	36,760,115	4,308,544	3,092,748	169,442,463	13,560,921	0	6,403,413	XXX
18. Non-health claims (net)	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
19. Claims adjustment expenses including \$13,667,749 cost containment expenses	26,622,661	21,413,799	1,601,084	308,566	166,997	3,784,976	764,970		(1,417,731)	
20. General administrative expenses	78,786,392	63,371,427	4,738,204	913,162	494,207	11,201,156	2,263,832		(4,195,596)	
21. Increase in reserves for accident and health contracts	(1,122,826)		302,723				(1,425,549)			XXX
22. Increase in reserves for life contracts	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
23. Total underwriting deductions (Lines 17 to 22)	998,696,041	745,626,836	43,402,126	5,530,272	3,753,952	184,428,595	15,164,174	0	790,086	0
24. Total underwriting gain or (loss) (Line 7 minus Line 23)	35,771,567	26,836,639	113,599	853,867	25,113	3,497,646	(568,003)	0	5,012,706	0
0501. DETAILS OF WRITE-INS										XXX
0502.										XXX
0503.										XXX
0598. Summary of remaining write-ins for Line 5 from overflow page	0	0	0	0	0	0	0	0	0	XXX
0599. Totals (Lines 0501 thru 0503 plus 0598) (Line 5 above)	0	0	0	0	0	0	0	0	0	XXX
0601.		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0602.		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0603.		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0698. Summary of remaining write-ins for Line 6 from overflow page	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
0699. Totals (Lines 0601 thru 0603 plus 0698) (Line 6 above)	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
1301.										XXX
1302.										XXX
1303.										XXX
1398. Summary of remaining write-ins for Line 13 from overflow page	0	0	0	0	0	0	0	0	0	XXX
1399. Totals (Lines 1301 thru 1303 plus 1398) (Line 13 above)	0	0	0	0	0	0	0	0	0	XXX

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1 - PREMIUMS

	1	2	3	4
Line of Business	Direct Business	Reinsurance Assumed	Reinsurance Ceded	Net Premium Income (Cols. 1 + 2 - 3)
1. Comprehensive (hospital and medical)	754,218,572		563,852	753,654,720
2. Medicare Supplement	43,324,066			43,324,066
3. Dental only	6,385,837			6,385,837
4. Vision only	3,789,069			3,789,069
5. Federal Employees Health Benefits Plan	190,064,080			190,064,080
6. Title XVIII - Medicare	14,987,204			14,987,204
7. Title XIX - Medicaid	0			0
8. Other health	5,802,792			5,802,792
9. Health subtotal (Lines 1 through 8)	1,018,571,620	0	563,852	1,018,007,768
10. Life	0			0
11. Property/casualty	0			0
12. Totals (Lines 9 to 11)	1,018,571,620	0	563,852	1,018,007,768

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2 - CLAIMS INCURRED DURING THE YEAR

	1	2	3	4	5	6	7	8	9	10
	Total	Comprehensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Other Health	Other Non-Health
1. Payments during the year:										
1.1 Direct	884,098,870	656,278,477	33,813,187	4,288,957	2,985,322	169,579,301	11,311,085		5,842,541	
1.2 Reinsurance assumed	0									
1.3 Reinsurance ceded	5,578,440	5,578,440								
1.4 Net	878,520,430	650,700,037	33,813,187	4,288,957	2,985,322	169,579,301	11,311,085	0	5,842,541	0
2. Paid medical incentive pools and bonuses	6,172,751	5,026,270	0			1,113,081	33,400			
3. Claim liability December 31, current year from Part 2A:										
3.1 Direct	103,353,470	72,866,185	8,532,672	321,978	230,091	17,781,934	2,816,181	0	804,429	0
3.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
3.3 Reinsurance ceded	1,027,561	1,027,561	0	0	0	0	0	0	0	0
3.4 Net	102,325,909	71,838,624	8,532,672	321,978	230,091	17,781,934	2,816,181	0	804,429	0
4. Claim reserve December 31, current year from Part 2D:										
4.1 Direct	73,930	56,119	0			17,811				
4.2 Reinsurance assumed	0									
4.3 Reinsurance ceded	0									
4.4 Net	73,930	56,119	0	0	0	17,811	0	0	0	0
5. Accrued medical incentive pools and bonuses, current year	387,804	280,587				68,750	38,467			
6. Net healthcare receivables (a)	0									
7. Amounts recoverable from reinsurers December 31, current year	5,334,848	5,334,848								
8. Claim liability December 31, prior year from Part 2A:										
8.1 Direct	90,174,496	64,624,925	5,585,744	302,391	122,665	18,657,002	638,212	0	243,557	0
8.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
8.3 Reinsurance ceded	207,978	207,978	0	0	0	0	0	0	0	0
8.4 Net	89,966,518	64,416,947	5,585,744	302,391	122,665	18,657,002	638,212	0	243,557	0
9. Claim reserve December 31, prior year from Part 2D:										
9.1 Direct	78,335	60,805				17,530				
9.2 Reinsurance assumed	0									
9.3 Reinsurance ceded	0									
9.4 Net	78,335	60,805	0	0	0	17,530	0	0	0	0
10. Accrued medical incentive pools and bonuses, prior year	2,441,957	1,998,075				443,882				
11. Amounts recoverable from reinsurers December 31, prior year	4,750,648	4,750,648								
12. Incurred Benefits:										
12.1 Direct	897,273,439	664,515,051	36,760,115	4,308,544	3,092,748	168,704,514	13,489,054	0	6,403,413	0
12.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
12.3 Reinsurance ceded	6,982,223	6,982,223	0	0	0	0	0	0	0	0
12.4 Net	890,291,216	657,532,828	36,760,115	4,308,544	3,092,748	168,704,514	13,489,054	0	6,403,413	0
13. Incurred medical incentive pools and bonuses	4,118,598	3,308,782	0	0	0	737,949	71,867	0	0	0

(a) Excludes \$ loans or advances to providers not yet expensed.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2A - CLAIMS LIABILITY END OF CURRENT YEAR

	1	2	3	4	5	6	7	8	9	10
	Total	Comprehensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Other Health	Other Non-Health
1. Reported in Process of Adjustment:										
1.1 Direct	43,250,516	30,976,602	4,405,383	83,579	227,963	5,717,504	1,838,937	.0	.548	.0
1.2 Reinsurance assumed .....	.0									
1.3 Reinsurance ceded .....	.0									
1.4 Net	43,250,516	30,976,602	4,405,383	83,579	227,963	5,717,504	1,838,937	.0	.548	.0
2. Incurred but Unreported:										
2.1 Direct	60,102,954	41,889,583	4,127,289	238,399	2,128	12,064,430	977,244	.0	.803,881	.0
2.2 Reinsurance assumed .....	.0									
2.3 Reinsurance ceded	1,027,561	1,027,561	.0	.0	.0	.0	.0	.0	.0	.0
2.4 Net	59,075,393	40,862,022	4,127,289	238,399	2,128	12,064,430	977,244	.0	.803,881	.0
3. Amounts Withheld from Paid Claims and Capitations:										
3.1 Direct .....	.0									
3.2 Reinsurance assumed .....	.0									
3.3 Reinsurance ceded .....	.0									
3.4 Net .....	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
4. TOTALS:										
4.1 Direct	103,353,470	72,866,185	8,532,672	321,978	230,091	17,781,934	2,816,181	.0	.804,429	.0
4.2 Reinsurance assumed .....	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
4.3 Reinsurance ceded	1,027,561	1,027,561	.0	.0	.0	.0	.0	.0	.0	.0
4.4 Net	102,325,909	71,838,624	8,532,672	321,978	230,091	17,781,934	2,816,181	0	804,429	0

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2B - ANALYSIS OF CLAIMS UNPAID - PRIOR YEAR - NET OF REINSURANCE

Line of Business	Claims Paid During the Year		Claim Reserve and Claim Liability December 31 of Current Year		5	6
	1	2	3	4		
	On Claims Incurred Prior to January 1 of Current Year	On Claims Incurred During the Year	On Claims Unpaid December 31 of Prior Year	On Claims Incurred During the Year	Claims Incurred In Prior Years (Columns 1 + 3)	Estimated Claim Reserve and Claim Liability December 31 of Prior Year
1. Comprehensive (hospital and medical)	58,027,948	604,619,743	2,269,168	69,625,575	60,297,116	64,477,752
2. Medicare Supplement	5,247,895	29,011,048	15,073	8,517,599	5,262,968	5,585,744
3. Dental Only	202,090	4,088,239	3,691	318,287	205,781	302,391
4. Vision Only	141,030	2,844,292	54	230,037	141,084	122,665
5. Federal Employees Health Benefits Plan	15,941,255	153,720,248	29,834	17,769,911	15,971,089	18,674,532
6. Title XVIII - Medicare	(19,303)	11,823,623	41,904	2,774,277	22,601	638,212
7. Title XIX - Medicaid	0	0	0	0	0	0
8. Other health	648,708	5,193,881	875	803,554	649,583	243,557
9. Health subtotal (Lines 1 to 8)	80,189,623	811,301,074	2,360,599	100,039,240	82,550,222	90,044,853
10. Healthcare receivables (a)	1,015,145	12,539,322	0	0	1,015,145	0
11. Other non-health	0	0	0	0	0	0
12. Medical incentive pools and bonus amounts	2,204,651	3,968,100	0	387,804	2,204,651	2,441,957
13. Totals (Lines 9 - 10 + 11 + 12)	81,379,129	802,729,852	2,360,599	100,427,044	83,739,728	92,486,810

(a) Excludes \$ 54,125,613 loans or advances to providers not yet expensed.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS
(000 Omitted)

Section A - Paid Health Claims - Comprehensive (Hospital & Medical)

Year in Which Losses Were Incurred		Cumulative Net Amounts Paid				
		1 2011	2 2012	3 2013	4 2014	5 2015
1.	Prior	45,007	43,004	42,787	42,608	42,608
2.	2011	627,790	694,133	694,012	693,847	693,628
3.	2012	XXX	631,163	694,171	694,816	694,771
4.	2013	XXX	XXX	600,722	655,654	656,111
5.	2014	XXX	XXX	XXX	601,792	660,398
6.	2015	XXX	XXX	XXX	XXX	596,343

Section B - Incurred Health Claims - Comprehensive (Hospital & Medical)

Year in Which Losses Were Incurred		Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
		1 2011	2 2012	3 2013	4 2014	5 2015
1.	Prior	41,380	41,872	41,512	42,608	42,608
2.	2011	703,947	693,038	694,017	393,847	693,628
3.	2012	XXX	700,828	695,205	694,816	694,771
4.	2013	XXX	XXX	657,860	660,044	656,111
5.	2014	XXX	XXX	XXX	663,877	662,667
6.	2015	XXX	XXX	XXX	XXX	666,250

Section C - Incurred Year Health Claims and Claims Adjustment Expense Ratio - Comprehensive (Hospital & Medical)

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payment	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2011	809,023	693,628	19,383	2.8	713,011	88.1	0	0	713,011	88.1
2. 2012	802,940	694,771	23,107	3.3	717,878	89.4	0	0	717,878	89.4
3. 2013	772,427	656,111	21,436	3.3	677,547	87.7	0	0	677,547	87.7
4. 2014	771,307	660,398	19,497	3.0	679,895	88.1	2,269	60	682,224	88.5
5. 2015	772,463	596,343	15,187	2.5	611,530	79.2	69,905	1,825	683,260	88.5

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS
(000 Omitted)

Section A - Paid Health Claims - Medicare Supplement

Year in Which Losses Were Incurred		Cumulative Net Amounts Paid				
		1 2011	2 2012	3 2013	4 2014	5 2015
1.	Prior .....	.6,065	.6,344	.6,260	.6,247	.6,247
2.	2011	33,386	39,390	39,364	39,355	39,332
3.	2012	XXX	28,717	34,483	34,502	34,483
4.	2013	XXX	XXX	25,954	35,733	35,765
5.	2014	XXX	XXX	XXX	30,233	35,489
6.	2015	XXX	XXX	XXX	XXX	28,567

Section B - Incurred Health Claims - Medicare Supplement

Year in Which Losses Were Incurred		Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
		1 2011	2 2012	3 2013	4 2014	5 2015
1.	Prior .....	.5,970	.6,338	.6,121	.6,247	.6,247
2.	2011	39,527	39,278	39,364	39,355	39,332
3.	2012	XXX	35,172	34,496	34,502	34,483
4.	2013	XXX	XXX	35,637	35,770	35,765
5.	2014	XXX	XXX	XXX	35,782	35,505
6.	2015	XXX	XXX	XXX	XXX	37,084

Section C - Incurred Year Health Claims and Claims Adjustment Expense Ratio - Medicare Supplement

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payment	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2011	49,752	39,332	1,260	3.2	40,592	81.6	0	0	40,592	81.6
2. 2012	45,437	34,483	2,294	6.7	36,777	80.9	0	0	36,777	80.9
3. 2013	43,954	35,765	1,951	5.5	37,716	85.8	0	0	37,716	85.8
4. 2014	43,174	35,489	1,366	3.8	36,855	85.4	15	0	36,870	85.4
5. 2015	43,516	28,567	1,131	4.0	29,698	68.2	8,518	148	38,364	88.2

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS
(000 Omitted)

Section A - Paid Health Claims - Dental Only

Year in Which Losses Were Incurred						Cumulative Net Amounts Paid				
						1 2011	2 2012	3 2013	4 2014	5 2015
1.	Prior					135	151	151	151	151
2.	2011					1,712	1,848	1,850	1,850	1,850
3.	2012					XXX	2,425	2,571	2,573	2,573
4.	2013					XXX	XXX	2,568	2,760	2,761
5.	2014					XXX	XXX	XXX	3,041	3,242
6.	2015					XXX	XXX	XXX	XXX	4,087

Section B - Incurred Health Claims - Dental Only

Year in Which Losses Were Incurred						Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
						1 2011	2 2012	3 2013	4 2014	5 2015
1.	Prior					136	151	151	151	151
2.	2011					1,889	1,849	1,850	1,850	1,850
3.	2012					XXX	2,624	2,572	2,573	2,573
4.	2013					XXX	XXX	2,797	2,763	2,761
5.	2014					XXX	XXX	XXX	3,341	3,246
6.	2015					XXX	XXX	XXX	XXX	4,406

Section C - Incurred Year Health Claims and Claims Adjustment Expense Ratio - Dental Only

Years in which Premiums were Earned and Claims were Incurred		1	2	3	4	5	6	7	8	9	10
		Premiums Earned	Claims Payment	Claim Adjustment Expense Payments	(Col. 3/2) Percent	Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	(Col. 5/1) Percent	Claims Unpaid	Unpaid Claims Adjustment Expenses	Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	(Col. 9/1) Percent
1.	2011	3,229	1,850	66	3.6	1,916	59.3	0	0	1,916	59.3
2.	2012	3,388	2,573	182	7.1	2,755	81.3	0	0	2,755	81.3
3.	2013	3,338	2,761	171	6.2	2,932	87.8	0	0	2,932	87.8
4.	2014	4,979	3,242	249	7.7	3,491	70.1	4	0	3,495	70.2
5.	2015	6,384	4,087	277	6.8	4,364	68.4	318	10	4,692	73.5

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS
(000 Omitted)

Section A - Paid Health Claims - Vision Only

Year in Which Losses Were Incurred						Cumulative Net Amounts Paid				
						1 2011	2 2012	3 2013	4 2014	5 2015
1.	Prior					85	101	101	101	101
2.	2011					1,117	1,205	1,205	1,205	1,205
3.	2012					XXX	1,870	1,972	1,971	1,971
4.	2013					XXX	XXX	2,047	2,186	2,186
5.	2014					XXX	XXX	XXX	2,662	2,803
6.	2015					XXX	XXX	XXX	XXX	2,844

Section B - Incurred Health Claims - Vision Only

Year in Which Losses Were Incurred						Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
						1 2011	2 2012	3 2013	4 2014	5 2015
1.	Prior					85	101	101	101	101
2.	2011					1,192	1,205	1,205	1,205	1,205
3.	2012					XXX	1,974	1,972	1,971	1,971
4.	2013					XXX	XXX	2,112	2,186	2,186
5.	2014					XXX	XXX	XXX	2,785	2,803
6.	2015					XXX	XXX	XXX	XXX	3,074

Section C - Incurred Year Health Claims and Claims Adjustment Expense Ratio - Vision Only

Years in which Premiums were Earned and Claims were Incurred		1	2	3	4	5	6	7	8	9	10
		Premiums Earned	Claims Payment	Claim Adjustment Expense Payments	(Col. 3/2) Percent	Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	(Col. 5/1) Percent	Claims Unpaid	Unpaid Claims Adjustment Expenses	Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	(Col. 9/1) Percent
1.	2011	2,590	1,205	51	4.2	1,256	48.5	0	0	1,256	48.5
2.	2012	2,918	1,971	242	12.3	2,213	75.8	0	0	2,213	75.8
3.	2013	3,055	2,186	1,280	58.6	3,466	113.5	0	0	3,466	113.5
4.	2014	3,813	2,803	178	6.4	2,981	78.2	0	0	2,981	78.2
5.	2015	3,779	2,844	149	5.2	2,993	79.2	230	7	3,230	85.5

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS
(000 Omitted)

Section A - Paid Health Claims - Federal Employees Health Benefits Plan Premium

Year in Which Losses Were Incurred		Cumulative Net Amounts Paid				
		1 2011	2 2012	3 2013	4 2014	5 2015
1.	Prior	15,132	15,710	15,702	15,679	15,679
2.	2011	133,134	147,464	147,592	147,566	147,554
3.	2012	XXX	136,684	151,969	152,101	152,082
4.	2013	XXX	XXX	143,955	160,714	160,536
5.	2014	XXX	XXX	XXX	150,034	166,609
6.	2015	XXX	XXX	XXX	XXX	154,326

Section B - Incurred Health Claims - Federal Employees Health Benefits Plan Premium

Year in Which Losses Were Incurred		Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
		1 2011	2 2012	3 2013	4 2014	5 2015
1.	Prior	15,157	15,710	15,683	15,679	15,679
2.	2011	149,235	147,537	147,598	147,566	147,554
3.	2012	XXX	151,837	152,074	152,101	152,082
4.	2013	XXX	XXX	160,742	160,761	160,536
5.	2014	XXX	XXX	XXX	169,100	166,639
6.	2015	XXX	XXX	XXX	XXX	172,165

Section C - Incurred Year Health Claims and Claims Adjustment Expense Ratio - Federal Employees Health Benefits Plan Premium

Years in which Premiums were Earned and Claims were Incurred		1	2	3	4	5	6	7	8	9	10
		Premiums Earned	Claims Payment	Claim Adjustment Expense Payments	(Col. 3/2) Percent	Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	(Col. 5/1) Percent	Claims Unpaid	Unpaid Claims Adjustment Expenses	Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	(Col. 9/1) Percent
1.	2011	158,298	147,554	3,846	2.6	151,400	95.6	0	0	151,400	95.6
2.	2012	161,158	152,082	2,967	2.0	155,049	96.2	0	0	155,049	96.2
3.	2013	172,172	160,536	2,915	1.8	163,451	94.9	0	0	163,451	94.9
4.	2014	184,897	166,609	3,015	1.8	169,624	91.7	30	1	169,655	91.8
5.	2015	187,926	154,326	2,391	1.5	156,717	83.4	17,839	622	175,178	93.2

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS
(000 Omitted)

Section A - Paid Health Claims - Title XVIII

Year in Which Losses Were Incurred		Cumulative Net Amounts Paid				
		1 2011	2 2012	3 2013	4 2014	5 2015
1.	Prior	0	0	0	0	
2.	2011			0		
3.	2012	XXX		0		
4.	2013	XXX	XXX	22,815	25,626	24,339
5.	2014	XXX	XXX	XXX	3,618	4,881
6.	2015	XXX	XXX	XXX	XXX	11,368

Section B - Incurred Health Claims - Title XVIII

Year in Which Losses Were Incurred		Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
		1 2011	2 2012	3 2013	4 2014	5 2015
1.	Prior	0	0	0	0	
2.	2011			0		
3.	2012	XXX		0		
4.	2013	XXX	XXX	26,101	25,765	24,339
5.	2014	XXX	XXX	XXX	4,118	4,923
6.	2015	XXX	XXX	XXX	XXX	14,181

Section C - Incurred Year Health Claims and Claims Adjustment Expense Ratio - Title XVIII

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payment	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2011		0	0	0.0	0	0.0	0	0	0	0.0
2. 2012		0	0	0.0	0	0.0	0	0	0	0.0
3. 2013	32,653	24,339	979	4.0	25,318	77.5	0	0	25,318	77.5
4. 2014	5,150	4,881	200	4.1	5,081	98.7	42	1	5,124	99.5
5. 2015	14,596	11,368	654	5.8	12,022	82.4	2,813	96	14,931	102.3

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS
(000 Omitted)

Section A - Paid Health Claims - Title XIX

Year in Which Losses Were Incurred		Cumulative Net Amounts Paid				
		1 2011	2 2012	3 2013	4 2014	5 2015
1.	Prior	NONE				
2.	2011					
3.	2012		XXX			
4.	2013		XXX	XXX		
5.	2014		XXX	XXX	XXX	
6.	2015		XXX	XXX	XXX	XXX

Section B - Incurred Health Claims - Title XIX

Year in Which Losses Were Incurred		Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
		1 2011	2 2012	3 2013	4 2014	5 2015
1.	Prior	NONE				
2.	2011					
3.	2012		XXX			
4.	2013		XXX	XXX		
5.	2014		XXX	XXX	XXX	
6.	2015		XXX	XXX	XXX	XXX

Section C - Incurred Year Health Claims and Claims Adjustment Expense Ratio - Title XIX

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payment	3 Claim Adjustment Expense Payment	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2011			NONE							
2. 2012										
3. 2013										
4. 2014										
5. 2015										

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS
(000 Omitted)

Section A - Paid Health Claims - Other

Year in Which Losses Were Incurred		Cumulative Net Amounts Paid				
		1 2011	2 2012	3 2013	4 2014	5 2015
1.	Prior	332	286	286	286	286
2.	2011	1,727	1,773	1,773	1,773	1,773
3.	2012	XXX	4,475	4,615	4,615	4,615
4.	2013	XXX	XXX	927	1,249	1,249
5.	2014	XXX	XXX	XXX	3,564	4,213
6.	2015	XXX	XXX	XXX	XXX	5,194

Section B - Incurred Health Claims - Other

Year in Which Losses Were Incurred		Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
		1 2011	2 2012	3 2013	4 2014	5 2015
1.	Prior	343	286	286	286	286
2.	2011	1,953	1,773	1,773	1,773	1,773
3.	2012	XXX	4,625	4,615	4,615	4,615
4.	2013	XXX	XXX	1,275	1,249	1,249
5.	2014	XXX	XXX	XXX	3,808	4,214
6.	2015	XXX	XXX	XXX	XXX	5,997

Section C - Incurred Year Health Claims and Claims Adjustment Expense Ratio - Other

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payment	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2011	2,545	1,773	45	2.5	1,818	71.4	0	0	1,818	71.4
2. 2012	3,397	4,615	6	0.1	4,621	136.0	0	0	4,621	136.0
3. 2013	3,202	1,249	16	1.3	1,265	39.5	0	0	1,265	39.5
4. 2014	4,104	4,213	12	0.3	4,225	102.9	1	0	4,226	103.0
5. 2015	5,803	5,194	(20)	(0.4)	5,174	89.2	804	28	6,006	103.5

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS
(000 Omitted)

Section A - Paid Health Claims - Grand Total

Year in Which Losses Were Incurred		Cumulative Net Amounts Paid				
		1 2011	2 2012	3 2013	4 2014	5 2015
1.	Prior	66,756	65,596	65,287	65,072	65,072
2.	2011	798,866	885,813	885,796	885,596	885,342
3.	2012	XXX	805,334	889,781	890,578	890,495
4.	2013	XXX	XXX	798,988	883,922	882,947
5.	2014	XXX	XXX	XXX	794,944	877,635
6.	2015	XXX	XXX	XXX	XXX	802,729

Section B - Incurred Health Claims - Grand Total

Year in Which Losses Were Incurred		Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
		1 2011	2 2012	3 2013	4 2014	5 2015
1.	Prior	63,071	64,458	63,854	65,072	65,072
2.	2011	897,743	884,680	885,807	585,596	885,342
3.	2012	XXX	897,060	890,934	890,578	890,495
4.	2013	XXX	XXX	886,524	888,538	882,947
5.	2014	XXX	XXX	XXX	882,811	879,997
6.	2015	XXX	XXX	XXX	XXX	903,157

Section C - Incurred Year Health Claims and Claims Adjustment Expense Ratio - Grand Total

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payment	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2011	1,025,437	885,342	24,651	2.8	909,993	88.7	0	0	909,993	88.7
2. 2012	1,019,238	890,495	28,798	3.2	919,293	90.2	0	0	919,293	90.2
3. 2013	1,030,801	882,947	28,748	3.3	911,695	88.4	0	0	911,695	88.4
4. 2014	1,017,424	877,635	24,517	2.8	902,152	88.7	2,361	62	904,575	88.9
5. 2015	1,034,467	802,729	19,769	2.5	822,498	79.5	100,427	2,736	925,661	89.5

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2D - AGGREGATE RESERVE FOR ACCIDENT AND HEALTH CONTRACTS ONLY

	1	2	3	4	5	6	7	8	9
	Total	Comprehensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Other
1. Unearned premium reserves	49,371	709	43,913	4,719	30				
2. Additional policy reserves (a)	302,723	0	302,723						
3. Reserve for future contingent benefits	0								
4. Reserve for rate credits or experience rating refunds (including \$) for investment income	76,108,494	23,459,148	107,829		7	52,145,433	396,077		
5. Aggregate write-ins for other policy reserves	2,203	0	(274)	0	0	0	2,477	0	0
6. Totals (gross)	76,462,791	23,459,857	454,191	4,719	37	52,145,433	398,554	0	0
7. Reinsurance ceded	0								
8. Totals (Net)(Page 3, Line 4)	76,462,791	23,459,857	454,191	4,719	37	52,145,433	398,554	0	0
9. Present value of amounts not yet due on claims	0								
10. Reserve for future contingent benefits	73,930	56,119				17,811			
11. Aggregate write-ins for other claim reserves	0	0	0	0	0	0	0	0	0
12. Totals (gross)	73,930	56,119	0	0	0	17,811	0	0	0
13. Reinsurance ceded	0								
14. Totals (Net)(Page 3, Line 7)	73,930	56,119	0	0	0	17,811	0	0	0
DETAILS OF WRITE-INS									
0501. Risk Adjustment Redetermination	2,203		(274)				2,477		
0502.									
0503.									
0598. Summary of remaining write-ins for Line 5 from overflow page.....	0	0	0	0	0	0	0	0	0
0599. Totals (Lines 0501 thru 0503 plus 0598) (Line 5 above)	2,203	0	(274)	0	0	0	2,477	0	0
1101.									
1102.									
1103.									
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0	0	0	0	0	0	0
1199. Totals (Lines 1101 thru 1103 plus 1198) (Line 11 above)	0	0	0	0	0	0	0	0	0

(a) Includes \$302,723 premium deficiency reserve.

UNDERWRITING AND INVESTMENT EXHIBIT

	Claim Adjustment Expenses		3	4	5
	1	2			
	Cost Containment Expenses	Other Claim Adjustment Expenses	General Administrative Expenses	Investment Expenses	Total
1. Rent (\$1,724,510 for occupancy of own building)	520,809	520,465	2,154,269	6,256	3,201,799
2. Salary, wages and other benefits	11,429,422	9,720,868	20,279,301	58,890	41,488,481
3. Commissions (less \$ ceded plus \$ assumed)	0	0	10,161,879	0	10,161,879
4. Legal fees and expenses	7,156	1,896	253,857	737	263,646
5. Certifications and accreditation fees	0	0	0	0	0
6. Auditing, actuarial and other consulting services	1,366,450	219,743	7,048,728	20,469	8,655,390
7. Traveling expenses	81,165	21,228	424,290	1,232	527,915
8. Marketing and advertising	85,134	744	2,558,946	7,431	2,652,255
9. Postage, express and telephone	360,103	462,960	1,552,894	4,509	2,380,466
10. Printing and office supplies	60,790	11,193	95,889	278	168,150
11. Occupancy, depreciation and amortization	0	0	0	0	0
12. Equipment	15,431	14,928	177,022	514	207,895
13. Cost or depreciation of EDP equipment and software	2,218,259	225,138	1,422,556	4,131	3,870,084
14. Outsourced services including EDP, claims, and other services	2,996,013	3,705,946	2,957,091	8,587	9,667,637
15. Boards, bureaus and association fees	8,850	0	354,591	1,030	364,471
16. Insurance, except on real estate	0	0	280,988	816	281,804
17. Collection and bank service charges	0	0	258,371	750	259,121
18. Group service and administration fees	2,440,455	1,082,896	2,046,918	5,944	5,576,213
19. Reimbursements by uninsured plans	(8,653,255)	(5,223,798)	(13,331,927)	0	(27,208,980)
20. Reimbursements from fiscal intermediaries	0	0	0	0	0
21. Real estate expenses	13,170	3,342	449,625	1,306	467,443
22. Real estate taxes	0	0	76,504	0	76,504
23. Taxes, licenses and fees:					
23.1 State and local insurance taxes	802	3	3,085,775	0	3,086,580
23.2 State premium taxes	0	0	8,272,874	0	8,272,874
23.3 Regulatory authority licenses and fees	3,606	25	59,442	0	63,073
23.4 Payroll taxes	710,969	642,593	1,229,995	0	2,583,557
23.5 Other (excluding federal income and real estate taxes)	0	0	26,198,110	0	26,198,110
24. Investment expenses not included elsewhere				206,463	206,463
25. Aggregate write-ins for expenses	2,420	1,544,742	718,404	2,086	2,267,652
26. Total expenses incurred (Lines 1 to 25)	13,667,749	12,954,912	78,786,392	331,429	(a) .....105,740,482
27. Less expenses unpaid December 31, current year ..	1,436,663	1,361,734	5,758,675		8,557,072
28. Add expenses unpaid December 31, prior year	1,115,946	1,010,424	6,172,827		8,299,197
29. Amounts receivable relating to uninsured plans, prior year			19,428,110		19,428,110
30. Amounts receivable relating to uninsured plans, current year			25,052,629		25,052,629
31. Total expenses paid (Lines 26 minus 27 plus 28 minus 29 plus 30)	13,347,032	12,603,602	84,825,063	331,429	111,107,126
DETAILS OF WRITE-INS					
2501. Miscellaneous Expense	2,420	1,544,742	718,404	2,086	2,267,652
2502.					
2503.					
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0	0	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	2,420	1,544,742	718,404	2,086	2,267,652

(a) Includes management fees of \$92,374,736 to affiliates and \$ to non-affiliates.

EXHIBIT OF NET INVESTMENT INCOME

		1	2
		Collected During Year	Earned During Year
1.	U.S. government bonds	(a) .....7,945	.....7,938
1.1	Bonds exempt from U.S. tax	(a) .....	.....
1.2	Other bonds (unaffiliated)	(a) .....6,386,752	.....6,256,400
1.3	Bonds of affiliates	(a) .....	.....
2.1	Preferred stocks (unaffiliated)	(b) .....	.....
2.11	Preferred stocks of affiliates	(b) .....	.....
2.2	Common stocks (unaffiliated) .....	.....	.....
2.21	Common stocks of affiliates .....	.....	.....
3.	Mortgage loans	(c) .....	.....
4.	Real estate	(d) .....	.....1,724,510
5	Contract Loans .....	.....	.....
6	Cash, cash equivalents and short-term investments	(e) .....1,344	.....1,344
7	Derivative instruments	(f) .....	.....
8.	Other invested assets .....	.....	.....
9.	Aggregate write-ins for investment income .....	.....32,688	.....33,772
10.	Total gross investment income	6,428,729	8,023,964
11.	Investment expenses .....	.....	(g) .....331,429
12.	Investment taxes, licenses and fees, excluding federal income taxes .....	.....	(g) .....0
13.	Interest expense .....	.....	(h)
14.	Depreciation on real estate and other invested assets .....	.....	(i) .....(283,448)
15.	Aggregate write-ins for deductions from investment income .....	.....	.....0
16.	Total deductions (Lines 11 through 15) .....	.....	.....47,981
17.	Net investment income (Line 10 minus Line 16)	.....	7,975,983
DETAILS OF WRITE-INS			
0901.	Miscellaneous Income	130	130
0902.	Securities Lending	32,558	33,642
0903.	.....	.....	.....
0998.	Summary of remaining write-ins for Line 9 from overflow page	0	0
0999.	Totals (Lines 0901 thru 0903 plus 0998) (Line 9, above)	32,688	33,772
1501.	.....	.....	.....
1502.	.....	.....	.....
1503.	.....	.....	.....
1598.	Summary of remaining write-ins for Line 15 from overflow page .....	.....	.....0
1599.	Totals (Lines 1501 thru 1503 plus 1598) (Line 15, above)	.....	0

- (a) Includes \$125,204 accrual of discount less \$1,699,109 amortization of premium and less \$357,799 paid for accrued interest on purchases.
- (b) Includes \$ accrual of discount less \$ amortization of premium and less \$ paid for accrued dividends on purchases.
- (c) Includes \$ accrual of discount less \$ amortization of premium and less \$ paid for accrued interest on purchases.
- (d) Includes \$1,724,510 for company's occupancy of its own buildings; and excludes \$ interest on encumbrances.
- (e) Includes \$ accrual of discount less \$ amortization of premium and less \$ paid for accrued interest on purchases.
- (f) Includes \$ accrual of discount less \$ amortization of premium.
- (g) Includes \$. investment expenses and \$ investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
- (h) Includes \$ interest on surplus notes and \$ interest on capital notes.
- (i) Includes \$ depreciation on real estate and \$ depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

		1	2	3	4	5
		Realized Gain (Loss) On Sales or Maturity	Other Realized Adjustments	Total Realized Capital Gain (Loss) (Columns 1 + 2)	Change in Unrealized Capital Gain (Loss)	Change in Unrealized Foreign Exchange Capital Gain (Loss)
1.	U.S. Government bonds	0	0	0	0	0
1.1	Bonds exempt from U.S. tax .....	.....	.....	0	.....	.....
1.2	Other bonds (unaffiliated)	(153,980)	0	(153,980)	0	0
1.3	Bonds of affiliates	0	0	0	0	0
2.1	Preferred stocks (unaffiliated)	0	0	0	0	0
2.11	Preferred stocks of affiliates	0	0	0	0	0
2.2	Common stocks (unaffiliated)	0	0	0	0	0
2.21	Common stocks of affiliates	0	0	0	0	0
3.	Mortgage loans .....	.....	0	0	0	0
4.	Real estate	15,466,022	(15,191,107)	274,915	.....	0
5.	Contract loans .....	.....	.....	0	.....	.....
6.	Cash, cash equivalents and short-term investments .....	.....	.....	0	.....	.....
7.	Derivative instruments .....	.....	.....	0	.....	.....
8.	Other invested assets .....	.....	0	0	(18,050)	0
9.	Aggregate write-ins for capital gains (losses)	0	0	0	0	0
10.	Total capital gains (losses)	15,312,042	(15,191,107)	120,935	(18,050)	0
DETAILS OF WRITE-INS						
0901.	.....	.....	.....	0	.....	.....
0902.	.....	.....	.....	.....	.....	.....
0903.	.....	.....	.....	.....	.....	.....
0998.	Summary of remaining write-ins for Line 9 from overflow page	0	0	0	0	0
0999.	Totals (Lines 0901 thru 0903 plus 0998) (Line 9, above)	0	0	0	0	0

EXHIBIT OF NON-ADMITTED ASSETS

	1	2	3
	Current Year Total Nonadmitted Assets	Prior Year Total Nonadmitted Assets	Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D)			0
2. Stocks (Schedule D):			
2.1 Preferred stocks			0
2.2 Common stocks			0
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens			0
3.2 Other than first liens.....			0
4. Real estate (Schedule A):			
4.1 Properties occupied by the company			0
4.2 Properties held for the production of income.....			0
4.3 Properties held for sale			0
5. Cash (Schedule E - Part 1), cash equivalents (Schedule E - Part 2) and short-term investments (Schedule DA)			0
6. Contract loans			0
7. Derivatives (Schedule DB)			0
8. Other invested assets (Schedule BA)			0
9. Receivables for securities			0
10. Securities lending reinvested collateral assets (Schedule DL)			0
11. Aggregate write-ins for invested assets	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11)	0	0	0
13. Title plants (for Title insurers only)			0
14. Investment income due and accrued			0
15. Premiums and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection	2,155,861	1,051,109	(1,104,752)
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due			0
15.3 Accrued retrospective premiums and contracts subject to redetermination			0
16. Reinsurance:			
16.1 Amounts recoverable from reinsurers			0
16.2 Funds held by or deposited with reinsured companies			0
16.3 Other amounts receivable under reinsurance contracts			0
17. Amounts receivable relating to uninsured plans	7,153,196	3,539,971	(3,613,225)
18.1 Current federal and foreign income tax recoverable and interest thereon			0
18.2 Net deferred tax asset	4,089,526	2,811,331	(1,278,195)
19. Guaranty funds receivable or on deposit			0
20. Electronic data processing equipment and software			0
21. Furniture and equipment, including health care delivery assets	700,152	2,222,694	1,522,542
22. Net adjustment in assets and liabilities due to foreign exchange rates			0
23. Receivable from parent, subsidiaries and affiliates			0
24. Health care and other amounts receivable	11,212,152	8,098,323	(3,113,829)
25. Aggregate write-ins for other than invested assets	896,522	353,463	(543,059)
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	26,207,409	18,076,891	(8,130,518)
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			0
28. Total (Lines 26 and 27)	26,207,409	18,076,891	(8,130,518)
DETAILS OF WRITE-INS			
1101.			
1102.			
1103.			
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0
1199. Totals (Lines 1101 thru 1103 plus 1198)(Line 11 above)	0	0	0
2501. Prepaid Expenses	497,526	306,978	(190,548)
2502. State Tax Recoverable	390,626	0	(390,626)
2503. Miscellaneous Receivables	8,370	46,485	38,115
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	896,522	353,463	(543,059)

EXHIBIT 1 - ENROLLMENT BY PRODUCT TYPE FOR HEALTH BUSINESS ONLY

Source of Enrollment	Total Members at End of					6 Current Year Member Months
	1 Prior Year	2 First Quarter	3 Second Quarter	4 Third Quarter	5 Current Year	
1. Health Maintenance Organizations	10,121	16,648	17,241	17,102	17,221	197,410
2. Provider Service Organizations						
3. Preferred Provider Organizations	47,215	43,971	42,636	42,654	41,823	517,150
4. Point of Service	50,047	50,117	49,934	50,073	50,058	599,638
5. Indemnity Only	15,386	13,944	13,759	13,696	13,555	166,076
6. Aggregate write-ins for other lines of business.....	192,048	201,308	203,307	196,793	195,820	2,345,840
7. Total	314,817	325,988	326,877	320,318	318,477	3,826,114
DETAILS OF WRITE-INS						
0601. Medicare Supplement	20,154	20,389	20,404	20,370	20,255	244,649
0602. Federal Employees Program (FEP)	35,573	35,849	35,931	36,217	36,145	431,996
0603. Dental	14,613	18,313	17,712	16,755	16,763	202,197
0698. Summary of remaining write-ins for Line 6 from overflow page	121,708	126,757	129,260	123,451	122,657	1,466,998
0699. Totals (Lines 0601 thru 0603 plus 0698) (Line 6 above)	192,048	201,308	203,307	196,793	195,820	2,345,840

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

A. Accounting Practices

The accompanying financial statements of Anthem Health Plans of Maine, Inc. (the "Company") have been prepared in conformity with the National Association of Insurance Commissioners' ("NAIC") *Annual Statement Instructions* and in accordance with accounting practices prescribed by the NAIC *Accounting Practices and Procedures Manual* ("NAIC SAP"), subject to any deviations prescribed or permitted by the Maine Bureau of Insurance (the "Bureau").

A reconciliation of the Company's net income and capital and surplus between NAIC SAP and practices prescribed and permitted by the Department is shown below:

	State of Domicile	2015	2014
<u>NET INCOME</u>			
(1) Company state basis (Page 4, Line 32, Columns 2 & 3)	Maine	\$ 22,173,708	\$ 19,151,955
(2) State Prescribed Practices that increase/(decrease) NAIC SAP:		-	-
(3) State Permitted Practices that increase/(decrease) NAIC SAP:		-	-
(4) NAIC SAP (1-2-3=4)	Maine	<u>\$ 22,173,708</u>	<u>\$ 19,151,955</u>
<u>SURPLUS</u>			
(5) Company state basis (Page 3, Line 33, Columns 3 & 4)	Maine	\$ 154,005,390	\$ 141,216,540
(6) State Prescribed Practices that increase/(decrease) NAIC SAP:		-	-
(7) State Permitted Practices that increase/(decrease) NAIC SAP:		-	-
(8) NAIC SAP (5-6-7=8)	Maine	<u>\$ 154,005,390</u>	<u>\$ 141,216,540</u>

B. Use of Estimates in the Preparation of the Financial Statements

Preparation of financial statements requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

C. Accounting Policy

Health premiums are earned over the term of the related insurance policies and reinsurance contracts. Unearned premium reserves are established to cover the unexpired portion of premiums written and are computed by pro rata methods for direct business. Premiums paid by subscribers prior to the effective date are recorded on the balance sheet as premiums received in advance and are subsequently credited to income as earned during the coverage period. Premium rates for certain lines of business are subject to approval by the Bureau. Expenses incurred in connection with acquiring new insurance business, including acquisition costs such as sales commissions, are charged to operations as incurred. All other costs, such as premium taxes and other underwriting expenses, are charged to operations as incurred.

In addition, the Company uses the following accounting policies:

- (1) Short-term investments include investments with maturities of less than one year at the date of acquisition and are reported at amortized cost, which approximates fair value. Non-investment grade short-term investments are stated at the lower of amortized cost or fair value.
- (2) Investment grade bonds not backed by other loans are stated at amortized cost, with amortization calculated based on the modified scientific method, using lower of yield to call or yield to maturity. Non-investment grade bonds are stated at the lower of amortized cost or fair value as determined by various third-party pricing sources.
- (3) The Company has no investments in common stocks of unaffiliated companies.
- (4) The Company has no investments in preferred stocks.
- (5) The Company has no mortgage loans on real estate.
- (6) Loan-backed securities are stated at amortized cost. Pre-payment assumptions for loan-backed securities and structured securities were obtained from broker-dealer survey values or internal estimates. These assumptions are consistent with the current interest rate and economic environment. The retrospective adjustment method is used to value all loan-backed securities. Non-investment grade loan-backed securities are stated at the lower of amortized cost or fair value.
- (7) The Company has no investments in subsidiaries, controlled and affiliated companies.
- (8) The Company has no investments in joint ventures, partnerships or limited liability companies.
- (9) The Company has no derivative instruments.
- (10) The Company does not anticipate investment income as a factor in premium deficiency calculations.
- (11) Unpaid claims and claims adjustment expenses include management's best estimate of amounts based on historical claim development patterns and certain individual case estimates. The established liability considers health benefit provisions, business practices, economic conditions and other factors that may materially affect the cost, frequency and severity of claims. Liabilities for unpaid claims and claim adjustment expenses are based on assumptions and estimates, and while management believes such estimates are reasonable, the ultimate liability may be in excess of or less than the amount provided. The methods for making such estimates and for establishing the resulting liabilities are continually reviewed and changes in estimates are incorporated into current period estimates.
- (12) The Company has not modified its capitalization policy from the prior period.
- (13) Pharmacy rebate receivables are recorded when earned based on actual rebate receivables billed and an estimate of receivables based on current utilization of specific pharmaceuticals and provider contract terms.
- (14) Service fees earned from providing administrative services to self-insured customers are deducted from operating expenses, and related claim payments and subsequent reimbursements of those claim payments are excluded from net income.
- (15) Premium under the Federal Employee Program ("FEP") is earned when chargeable benefit costs, allowable expenses and retentions are incurred. Deferred premiums are recorded to offset the FEP liabilities for incurred claims but not reported and claims adjustment expenses that are due from the Office of Personnel Management ("OPM"), when the claims are ultimately paid.

NOTES TO FINANCIAL STATEMENTS

D. Going Concern

Not applicable.

2. Accounting Changes and Corrections of Errors

A. Accounting Changes

The Company had no accounting changes during the years ended December 31, 2015 and 2014.

B. Corrections of Errors

There were no corrections of errors during the years ended December 31, 2015 and 2014.

3. Business Combinations and Goodwill

A. Statutory Purchase Method: Not applicable.

B. Statutory Merger: Not applicable.

C. Assumption Reinsurance: Not applicable.

D. Impairment Loss: Not applicable.

4. Discontinued Operations

The Company had no operations that were discontinued during 2015 or 2014.

5. Investments

A. Mortgage Loans, including Mezzanine Real Estate Loans

The Company did not have investments in mortgage loans at December 31, 2015 or 2014.

B. Debt Restructuring

The Company did not have invested assets that were restructured debt at December 31, 2015 or 2014.

C. Reverse Mortgages

The Company did not have investments in reverse mortgages at December 31, 2015 or 2014.

D. Loan-Backed Securities

(1) Prepayment assumptions for mortgage-backed/loan-backed and structured securities were obtained from broker-dealer survey values or internal estimates. The Company used various third-party pricing sources in determining the market value of its loan-backed securities.

(2) The Company did not recognize other-than-temporary impairments on its loan-backed securities during the year ended December 31, 2015.

(3) The Company did not hold other-than-temporary impairments on its loan-backed securities at December 31, 2015 and 2014.

(4) The Company had no impaired securities for which an other-than-temporary impairment had not been recognized in earnings as a realized loss at December 31, 2015 and 2014.

(5) The Company had no impaired loan-backed securities at December 31, 2015 and 2014.

E. Repurchase Agreements and/or Securities Lending Transactions

(1) The Company did not enter into repurchase agreements at December 31, 2015 or 2014.

(2) The Company participates in a securities lending program whereby marketable securities in its investment portfolio are transferred to independent brokers or dealers based on, among other things, their creditworthiness in exchange for collateral initially equal to at least 102% of the market value of the loaned securities. The Company receives the collateral in cash or securities, and if cash is received the cash collateral is thereafter invested according to guidelines of the Company's Investment Policy.

NOTES TO FINANCIAL STATEMENTS

(3) Collateral Received

a. Aggregate Amount Collateral Received

1. Repurchase Agreement: Not applicable.

	Fair Value
2. Securities Lending	
(a) Open	\$ 11,577,996
(b) 30 Days or Less	-
(c) 31 to 60 Days	-
(d) 61 to 90 Days	-
(e) Greater Than 90 Days	-
(f) Sub-Total	\$ 11,577,996
(g) Securities Received	-
(h) Total Collateral Received	\$ 11,577,996

3. Dollar Repurchase Agreement: Not applicable.

b. The fair value of that collateral and of the portion of that collateral that it has sold or repledged

\$ 11,577,996

c. The Company receives cash collateral in an amount in excess of the fair value of the securities lent. The Company reinvests the cash collateral into short-term investments.

(4) The Company does not have any securities lending transactions administered by an affiliated agent.

(5) Collateral Reinvestment

a. Aggregate Amount Collateral Reinvested

1. Repurchase Agreement: Not applicable.

	Amortized Cost	Fair Value
2. Securities Lending		
(a) Open	\$ -	\$ -
(b) 30 Days or Less	6,652,195	6,652,195
(c) 31 to 60 Days	3,789,078	3,789,078
(d) 61 to 90 Days	1,136,723	1,136,723
(e) 91 to 120 Days	-	-
(f) 121 to 180 Days	-	-
(g) 181 to 365 Days	-	-
(h) 1 to 2 Years	-	-
(i) 2 to 3 Years	-	-
(j) Greater Than 3 Years	-	-
(k) Sub-Total	\$ 11,577,996	\$ 11,577,996
(l) Securities Received	-	-
(m) Total Collateral Reinvested	\$ 11,577,996	\$ 11,577,996

3. Dollar Repurchase Agreement: Not applicable.

b. Not applicable.

(6) Not applicable.

(7) Not applicable.

F. Real Estate

(1) The Company did not recognize any impairment losses on its real estate investment during the years ended December 31, 2015 or 2014.

(2) On July 30, 2015, the Company sold its real estate investment in its office building located at 2 Gannett Drive in South Portland, Maine to WPME001, LLC a Maine limited liability company, for \$25,800,000. Concurrently, the Company leased back the 2 Gannett Drive office building under a 12 year lease agreement with four optioned five-year renewal periods. In accordance with statutory accounting principles, the company accounted for the transaction as a sale-leaseback settled entirely in cash, and recognized the entire gain directly to special surplus funds. The recognized gain to special surplus funds of \$15,466,022 is being amortized to unassigned surplus on a straight-line basis over the 12 year life of the lease. This amount will be reported as a realized capital gain in each year in the Statement of Revenue and Expenses. The amount of realized capital gain in the Statement of Revenue and Expenses recognized as of December 31, 2015 is \$540,479.

NOTES TO FINANCIAL STATEMENTS

- (3) Not applicable.
- (4) Not applicable.
- (5) Not applicable.

G. Investments in Low-Income Housing Tax Credits

The Company did not invest in properties generating low-income housing tax credits during 2015 or 2014.

H. Restricted Assets

- (1) Restricted Assets (Including Pledged)

	1	2	3	4	5	6
Restricted Asset Category	Total Gross Restricted from Current Year	Total Gross Restricted from Prior Year	Increase/ (Decrease) (1 minus 2)	Total Current Year Admitted Restricted	Percentage Gross Restricted to Total Assets	Percentage Admitted Restricted to Total Admitted Assets
a. Subject to contractual obligation for which liability is not shown	\$ -	\$ -	\$ -	\$ -	-	-
b. Collateral held under security lending agreements	11,577,996	7,617,285	3,960,711	11,577,996	2.73%	2.91%
c. Subject to repurchase agreements	-	-	-	-	-	-
d. Subject to reverse repurchase agreements	-	-	-	-	-	-
e. Subject to dollar repurchase agreements	-	-	-	-	-	-
f. Subject to dollar reverse repurchase agreements	-	-	-	-	-	-
g. Placed under option contracts	-	-	-	-	-	-
h. Letter stock or securities restricted as to sale – excluding FHLB capital stock	-	-	-	-	-	-
i. FHLB capital stock	-	-	-	-	-	-
j. On deposit with states	792,077	813,415	(21,338)	792,077	0.19%	0.20%
k. On deposit with other regulatory bodies	-	-	-	-	-	-
l. Pledged as collateral to FHLB (including assets backing funding agreements)	-	-	-	-	-	-
m. Pledged as collateral not captured in other categories	-	-	-	-	-	-
n. Other restricted assets	-	-	-	-	-	-
o. Total Restricted Assets	\$ 12,370,073	\$ 8,430,700	\$ 3,939,373	\$ 12,370,073	2.92%	3.11%

- (2) Detail of Assets Pledged as Collateral Not Captured in Other Categories (Contracts that Share Similar Characteristics, Such as Reinsurance and Derivatives, Are Reported in the Aggregate) – Not applicable.
- (3) Detail of Other Restricted Assets (Contracts that Share Similar Characteristics, Such as Reinsurance and Derivatives, Are Reported in the Aggregate) – Not applicable.

I. Working Capital Finance Investments

The Company did not have any working capital finance investments as December 31, 2015 and 2014.

J. Offsetting and Netting of Assets and Liabilities

The Company did not have any offsetting or netting of assets and liabilities as December 31, 2015 and 2014.

K. Structured Notes

The Company did not have any structured notes as December 31, 2015 and 2014.

NOTES TO FINANCIAL STATEMENTS

6. Joint Ventures, Partnerships and Limited Liability Companies

- A. The Company did not have investments in joint ventures, partnerships or limited liability companies that exceeded 10% of its admitted assets at December 31, 2015 or 2014.
- B. Not applicable.

7. Investment Income

- A. All investment income due and accrued with amounts that are over 90 days past due is non-admitted.
- B. At December 31, 2015 and 2014 there was no non-admitted accrued investment interest income.

8. Derivative Instruments

The Company has no derivative instruments.

9. Income Taxes

- A. The components of the net deferred tax asset/(liability) at December 31 are as follows:

(1)

12/31/2015			
(1)	(2)	(3)	
Ordinary	Capital	(Col 1+2) Total	
(a) Gross Deferred Tax Assets ("DTA")	\$ 19,405,671	\$ -	\$ 19,405,671
(b) Statutory Valuation Allowance Adjustments	\$ -	\$ -	\$ -
(c) Adjusted Gross Deferred Tax Assets (1a - 1b)	\$ 19,405,671	\$ -	\$ 19,405,671
(d) Deferred Tax Assets Nonadmitted	4,089,526	-	4,089,526
(e) Subtotal Net Admitted Deferred Tax Asset (1c - 1d)	\$ 15,316,145	\$ -	\$ 15,316,145
(f) Deferred Tax Liabilities	\$ 2,625	\$ 73,281	\$ 75,906
(g) Net Admitted Deferred Tax Asset/(Net Deferred Tax Liability) (1e - 1f)	\$ 15,313,520	\$ (73,281)	\$ 15,240,239

12/31/2014			
(4)	(5)	(6)	
Ordinary	Capital	(Col 4+5) Total	
(a) Gross Deferred Tax Assets	\$ 16,433,112	\$ -	\$ 16,433,112
(b) Statutory Valuation Allowance Adjustments	\$ -	\$ -	\$ -
(c) Adjusted Gross Deferred Tax Assets (1a - 1b)	\$ 16,433,112	\$ -	\$ 16,433,112
(d) Deferred Tax Assets Nonadmitted	2,811,331	-	2,811,331
(e) Subtotal Net Admitted Deferred Tax Asset (1c - 1d)	\$ 13,621,781	\$ -	\$ 13,621,781
(f) Deferred Tax Liabilities	\$ 3,673	\$ 37,839	\$ 41,512
(g) Net Admitted Deferred Tax Asset/(Net Deferred Tax Liability) (1e - 1f)	\$ 13,618,108	\$ (37,839)	\$ 13,580,269

Change			
(7)	(8)	(9)	
(Col 1-4) Ordinary	(Col 2-5) Capital	(Col 7+8) Total	
(a) Gross Deferred Tax Assets	\$ 2,972,559	\$ -	\$ 2,972,559
(b) Statutory Valuation Allowance Adjustments	\$ -	\$ -	\$ -
(c) Adjusted Gross Deferred Tax Assets (1a - 1b)	\$ 2,972,559	\$ -	\$ 2,972,559
(d) Deferred Tax Assets Nonadmitted	1,278,195	-	1,278,195
(e) Subtotal Net Admitted Deferred Tax Asset (1c - 1d)	\$ 1,694,364	\$ -	\$ 1,694,364
(f) Deferred Tax Liabilities	\$ (1,048)	\$ 35,442	\$ 34,394
(g) Net Admitted Deferred Tax Asset/(Net Deferred Tax Liability) (1e - 1f)	\$ 1,695,412	\$ (35,442)	\$ 1,659,970

NOTES TO FINANCIAL STATEMENTS

(2) The admission calculation components under each component of SSAP No. 101 at December 31 are as follows:

12/31/2015			
(1)	(2)	(3)	
Ordinary	Capital	(Col 1+2) Total	
Admission Calculation Components SSAP No. 101			
(a) Federal Income Taxes Paid In Prior Years Recoverable Through Loss Carrybacks	\$ 14,551,053	\$ -	\$ 14,551,053
(b) Adjusted Gross Deferred Tax Assets Expected To Be Realized (Excluding The Amount Of Deferred Tax Assets From 2(a) above) After Application of the Threshold Limitation. (The Lesser of 2(b)1 and 2(b)2 Below)	\$ 689,186	\$ -	\$ 689,186
1. Adjusted Gross Deferred Tax Assets Expected to be Realized Following the Balance Sheet Date	\$ 689,186	\$ -	\$ 689,186
2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold	xxx	xxx	20,814,773
(c) Adjusted Gross Deferred Tax Assets (Excluding The Amount of Deferred Tax Assets From 2(a) and 2(b) above) Offset by Gross Deferred Tax Liabilities	\$ 75,906	\$ -	\$ 75,906
(d) Deferred Tax Assets Admitted as the result of application of SSAP No. 101 Total (2(a)+2(b)+2(c))	\$ 15,316,145	\$ -	\$ 15,316,145
12/31/2014			
(4)	(5)	(6)	
Ordinary	Capital	(Col 4+5) Total	
Admission Calculation Components SSAP No. 101			
(a) Federal Income Taxes Paid In Prior Years Recoverable Through Loss Carrybacks	\$ 12,971,063	\$ -	\$ 12,971,063
(b) Adjusted Gross Deferred Tax Assets Expected To Be Realized (Excluding The Amount Of Deferred Tax Assets From 2(a) above) After Application of the Threshold Limitation. (The Lesser of 2(b)1 and 2(b)2 Below)	\$ 609,206	\$ -	\$ 609,206
1. Adjusted Gross Deferred Tax Assets Expected to be Realized Following the Balance Sheet Date	\$ 609,206	\$ -	\$ 609,206
2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold	xxx	xxx	\$ 19,144,014
(c) Adjusted Gross Deferred Tax Assets (Excluding The Amount of Deferred Tax Assets From 2(a) and 2(b) above) Offset by Gross Deferred Tax Liabilities	\$ 41,512	\$ -	\$ 41,512
(d) Deferred Tax Assets Admitted as the result of application of SSAP No. 101 Total (2(a)+2(b)+2(c))	\$ 13,621,781	\$ -	\$ 13,621,781
Change			
(7)	(8)	(9)	
(Col 1-4) Ordinary	(Col 2-5) Capital	(Col 7+8) Total	
Admission Calculation Components SSAP No. 101			
(a) Federal Income Taxes Paid In Prior Years Recoverable Through Loss Carrybacks	\$ 1,579,990	\$ -	\$ 1,579,990
(b) Adjusted Gross Deferred Tax Assets Expected To Be Realized (Excluding The Amount Of Deferred Tax Assets From 2(a) above) After Application of the Threshold Limitation. (The Lesser of 2(b)1 and 2(b)2 Below)	\$ 79,980	\$ -	\$ 79,980
1. Adjusted Gross Deferred Tax Assets Expected to be Realized Following the Balance Sheet Date	\$ 79,980	\$ -	\$ 79,980
2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold	xxx	xxx	\$ 1,670,759
(c) Adjusted Gross Deferred Tax Assets (Excluding The Amount of Deferred Tax Assets From 2(a) and 2(b) above) Offset by Gross Deferred Tax Liabilities	\$ 34,394	\$ -	\$ 34,394
(d) Deferred Tax Assets Admitted as the result of application of SSAP No. 101 Total (2(a)+2(b)+2(c))	\$ 1,694,364	\$ -	\$ 1,694,364

NOTES TO FINANCIAL STATEMENTS

(3)

	2015	2014
(a) Ratio Percentage Used to Determine Recovery Period And Threshold Limitation Amount	514%	589%
(b) Amount Of Adjusted Capital And Surplus Used to Determine Recovery Period And Threshold Limitation in 2(b)2 Above	\$138,765,151	\$127,626,757

(4) The impact of tax-planning strategies at December 31 are as follows:

	12/31/2015	
	(1) Ordinary	(2) Capital
(a) Determination of adjusted gross deferred tax assets and net admitted deferred tax assets by tax character as a percentage		
1. Adjusted Gross DTAs amount from Note 9A1(c)	\$ 19,405,671	\$ -
2. Percentage of adjusted gross DTAs by tax character attributable to the impact of tax planning strategies	0%	0%
3. Net admitted adjusted gross DTAs amount from Note 9A1(e)	\$ 15,316,145	\$ -
4. Percentage of net admitted adjusted gross DTAs by tax character admitted because of the impact of tax planning strategies	0%	0%
	12/31/2014	
	(3) Ordinary	(4) Capital
1. Adjusted Gross DTAs amount from Note 9A1(c)	\$ 16,433,112	\$ -
2. Percentage of adjusted gross DTAs by tax character attributable to the impact of tax planning strategies	0%	0%
3. Net admitted adjusted gross DTAs amount from Note 9A1(e)	\$ 13,621,781	\$ -
4. Percentage of net admitted adjusted gross DTAs by tax character admitted because of the impact of tax planning strategies	0%	0%
	Change	
	(5) (Col 1-3) Ordinary	(6) (Col 2-4) Capital
1. Adjusted Gross DTAs amount from Note 9A1(c)	\$ 2,972,559	\$ -
2. Percentage of adjusted gross DTAs by tax character attributable to the impact of tax planning strategies	0%	0%
3. Net admitted adjusted gross DTAs amount from Note 9A1(e)	\$ 1,694,364	\$ -
4. Percentage of net admitted adjusted gross DTAs by tax character admitted because of the impact of tax planning strategies	0%	0%

(b) Does the Company's tax-planning strategies include the use of reinsurance? Yes _____ No X

B. The Company has no unrecognized deferred tax liabilities at December 31, 2015 and 2014.

C. Current income taxes incurred consist of the following major components:

	(1) 12/31/2015	(2) 12/31/2014	(3) (Col 1-2) Change
1. Current Income Tax			
(a) Federal	\$ 21,858,722	\$ 16,820,307	\$ 5,038,415
(b) Foreign	-	-	-
(c) Subtotal	21,858,722	16,820,307	5,038,415
(d) Federal income tax on net capital gains	(44,971)	174,974	(219,945)
(e) Utilization of capital loss carry-forwards	(99,299)	(99,299)	-
(f) Other	-	-	-
(g) Federal and foreign income taxes incurred	\$ 21,714,452	\$ 16,895,982	\$ 4,818,470

NOTES TO FINANCIAL STATEMENTS

	(1) 12/31/2015	(2) 12/31/2014	(3) (Col 1-2) Change
2. Deferred Tax Assets:			
(a) Ordinary			
(1) Discounting of unpaid losses	219,006	201,146	17,860
(2) Unearned premium reserve	990,382	933,840	56,542
(3) Policyholder reserves	601,600	510,013	91,587
(4) Investments	-	-	-
(5) Deferred acquisition costs	-	-	-
(6) Policyholder dividends accrual	-	-	-
(7) Fixed assets	149,348	3,596,907	(3,447,559)
(8) Compensation and benefits accrual	214,795	18,053	196,742
(9) Pension accrual	-	-	-
(10) Receivables - nonadmitted	7,197,267	4,457,561	2,739,706
(11) Net operating loss carry-forward	225,170	324,469	(99,299)
(12) Tax credit carry-forward	-	-	-
(13) Other (including items <5% of total ordinary tax assets)	-	-	-
(14) Accrued future expenses	4,321,513	5,400,309	(1,078,796)
(15) Amortization	101,485	491,544	(390,059)
(16) Partnership income	-	-	-
(17) Premium deficiency reserves	105,953	498,942	(392,989)
(18) Prepaid expenses	55,212	328	54,884
(19) Gain on sale of building	5,223,940	-	5,223,940
(99) Subtotal	\$ 19,405,671	\$ 16,433,112	\$ 2,972,559
(b) Statutory valuation allowance adjustment	-	-	-
(c) Nonadmitted	4,089,526	2,811,331	1,278,195
(d) Admitted ordinary deferred tax assets (2a99 - 2b - 2c)	\$ 15,316,145	\$ 13,621,781	\$ 1,694,364
(e) Capital:			
(1) Investments	-	-	-
(2) Net capital loss carry-forward	-	-	-
(3) Real estate	-	-	-
(4) Other (including items <5% of total capital tax assets)	-	-	-
(99) Subtotal	\$ -	\$ -	\$ -
(f) Statutory valuation allowance adjustment	-	-	-
(g) Nonadmitted	-	-	-
(h) Admitted capital deferred tax assets (2e99 - 2f - 2g)	\$ -	\$ -	\$ -
(i) Admitted deferred tax assets (2d + 2h)	\$ 15,316,145	\$ 13,621,781	\$ 1,694,364
3. Deferred Tax Liabilities:			
(a) Ordinary			
(1) Investments	-	-	-
(2) Fixed assets	-	-	-
(3) Deferred and uncollected premium	-	-	-
(4) Policyholder reserves	-	-	-
(5) Other (including items <5% of total ordinary tax liabilities)	1	1	-
(6) Amortization	-	-	-
(7) Discount on coordination of benefits	2,624	3,672	(1,048)
(8) Write-ins	-	-	-
(99) Subtotal	\$ 2,625	\$ 3,673	\$ (1,048)
(b) Capital:			
(1) Investments	73,281	37,839	35,442
(2) Real estate	-	-	-
(3) Other (including items <5% of total capital tax liabilities)	-	-	-
(99) Subtotal	\$ 73,281	\$ 37,839	\$ 35,442
(c) Deferred tax liabilities (3a99 + 3b99)	\$ 75,906	\$ 41,512	\$ 34,394
4. Net deferred tax assets/liabilities (2i - 3c)	\$ 15,240,239	\$ 13,580,269	\$ 1,659,970

NOTES TO FINANCIAL STATEMENTS

- D. The Company's income tax expense and change in deferred income taxes differs from the amount obtained by applying the federal statutory income tax rate of 35% for the year ended December 31 as follows:

	2015	2014
Tax expense computed using federal statutory rate	\$ 15,360,856	\$ 12,616,778
Change in nonadmitted assets	(2,261,594)	1,039,973
Tax exempt income and dividend received deduction net of proration	(412,152)	(414,724)
Prior year true-ups and adjustments	(36,949)	155,294
ACA health insurer fee	6,070,923	4,704,860
Other	61,520	61,455
Total	<u>\$ 18,782,604</u>	<u>\$ 18,163,636</u>
Federal income taxes incurred	\$ 21,714,452	\$ 16,895,982
Change in net deferred income taxes	(2,931,848)	1,267,654
Total statutory income taxes	<u>\$ 18,782,604</u>	<u>\$ 18,163,636</u>

- E. Operating loss carryforwards:

- (1) At December 31, 2015, the Company had the following unused net operating loss carryforwards available to offset future taxable income. The losses will begin to expire as noted. The Company had no unused tax credit carryforwards available to offset future taxable income.

Unused NOL Carryforwards	Will Begin To Expire
\$ 643,344	2020

- (2) The following are income taxes incurred in the current and prior year that will be available for recoupment in the event of future losses:

	Ordinary	Capital	Total
2015	\$ 22,216,551	\$ -	\$ 22,216,551
2014	\$ 16,440,700	\$ 174,974	\$ 16,615,674
2013	\$ N/A	\$ 721,144	\$ 721,144

- (3) The Company has no protective tax deposits reported as admitted assets under Section 6603 of the Internal Revenue Service Code at December 31, 2015 and 2014.

- F. The following companies will be included in the consolidated federal income tax return with their parent Anthem, Inc. as of December 31, 2015 and either are current members of the consolidated tax sharing agreement or are in the process of being added to the consolidated tax sharing agreement. Allocation of federal income taxes with affiliates subject to the tax sharing agreement is based upon separate income tax return calculations with credit for net losses that can be used on a consolidated basis. Pursuant to this agreement, the Company has the enforceable right to recoup federal income taxes paid in prior years in the event of future net losses, which it may incur, or to recoup its net losses carried forward as an offset to future net income subject to federal income taxes. Intercompany income tax balances are settled based on the Internal Revenue Service due dates.

American Imaging Management, Inc.
 AMERIGROUP Community Care of New Mexico, Inc.
 AMERIGROUP Corporation
 AMERIGROUP Florida, Inc.
 Amerigroup Insurance Company
 AMERIGROUP Iowa, Inc.
 Amerigroup Kansas, Inc.
 AMERIGROUP Louisiana, Inc.
 AMERIGROUP Maryland, Inc.
 AMERIGROUP Nevada, Inc.
 AMERIGROUP New Jersey, Inc.
 AMERIGROUP Ohio, Inc.
 AMERIGROUP Pennsylvania, Inc.
 Amerigroup Services, Inc.
 AMERIGROUP Tennessee, Inc.
 AMERIGROUP Texas, Inc.
 AMERIGROUP Washington, Inc.
 AMGP Georgia Managed Care Company, Inc.
 Anthem Blue Cross Life and Health Insurance Company
 Anthem Financial, Inc.
 Anthem Health Insurance Company of Nevada
 Anthem Health Plans of Kentucky, Inc.
 Anthem Health Plans of Maine, Inc.
 Anthem Health Plans of New Hampshire, Inc.
 Anthem Health Plans of Virginia, Inc.
 Anthem Health Plans, Inc.

DeCare Dental Health International, LLC
 DeCare Dental Networks, LLC
 DeCare Dental, LLC
 Designated Agent Company, Inc.
 EHC Benefits Agency, Inc.
 Empire HealthChoice Assurance, Inc.
 Empire HealthChoice HMO, Inc.
 Forty-Four Forty-Four Forest Park Redevelopment Corp
 Golden West Health Plan, Inc.
 Government Health Services, LLC
 Greater Georgia Life Insurance Company
 Health Core, Inc.
 Health Management Corporation
 HealthKeepers, Inc.
 HealthLink HMO, Inc.
 HealthLink, Inc.
 HealthPlus HP, LLC (fka AMERIGROUP New York, LLC)
 Healthy Alliance Life Insurance Company
 HMO Colorado, Inc.
 HMO Missouri, Inc.
 Imaging Management Holdings, LLC
 Imaging Providers of Texas
 Matthew Thornton Health Plan, Inc.
 National Government Services, Inc.
 OneNation Insurance Company
 Park Square Holdings, Inc.

NOTES TO FINANCIAL STATEMENTS

Anthem Holding Corp.	Park Square I, Inc.
Anthem Insurance Companies, Inc.	Park Square II, Inc.
Anthem Kentucky Managed Care Plan, Inc.	PHP Holdings, Inc.
Anthem Life & Disability Insurance Company	R&P Realty, Inc.
Anthem Southeast, Inc.	Resolution Health, Inc.
Anthem UM Services, Inc.	RightCHOICE Managed Care, Inc.
Anthem, Inc.	Rocky Mountain Hospital and Medical Service, Inc.
Arcus Enterprises, Inc.	SellCore, Inc.
ARCUS HealthyLiving Services, Inc.	Simply Healthcare Holdings, Inc.
Associated Group, Inc.	Simply Healthcare Plans, Inc.
Better Health, Inc.	Southeast Services, Inc.
Blue Cross and Blue Shield of Georgia, Inc.	State Sponsored Business UM Services, Inc.
Blue Cross Blue Shield Healthcare Plan of Georgia, Inc.	The Anthem Companies of California, Inc.
Blue Cross Blue Shield of Wisconsin	The Anthem Companies, Inc.
Blue Cross of California	Tidgewell Associates, Inc.
Blue Cross of California Partnership Plan, Inc.	TrustSolutions, LLC
CareMore Health Group, Inc.	UNICARE Health Plan of Kansas, Inc.
CareMore Health Plan	UNICARE Health Plan of West Virginia, Inc.
CareMore Health Plan of Arizona, Inc.	UNICARE Health Plans of Texas, Inc.
CareMore Health Plan of Colorado, Inc.	UNICARE Illinois Services, Inc.
CareMore Health Plan of Georgia, Inc.	UNICARE Life & Health Insurance Company
CareMore Health Plan of Nevada	UNICARE National Services, Inc.
CareMore Health Plan of Texas, Inc.	UNICARE Specialty Services, Inc.
CareMore Health System	UtiliMed IPA, Inc.
CareMore Holdings, Inc.	WellPoint Behavioral Health, Inc.
Cerulean Companies, Inc.	WellPoint California Services, Inc.
Claim Management Services, Inc.	WellPoint Dental Services, Inc.
Community Insurance Company	WellPoint Holding Corporation
Compcare Health Services Insurance Corporation	WellPoint Information Technology Services, Inc.
Crossroads Acquisition Corp	WellPoint Insurance Services, Inc.
DeCare Analytics, LLC	WellPoint Military Care Corporation

10. Information Concerning Parent, Subsidiaries, Affiliates and Other Related Parties

A. Nature of the Relationship

The Company is a Maine domiciled stock insurance company and is a wholly-owned subsidiary of ATH Holding Company, LLC ("ATH Holding"), which is a wholly-owned subsidiary of Anthem, Inc. ("Anthem"), a publicly traded company. The shareholders of Anthem approved to amend its articles of incorporation to change the name to Anthem, Inc. from WellPoint, Inc. The name change was effective December 2, 2014.

On July 24, 2015, the Company's ultimate parent company, Anthem, and Cigna Corporation ("Cigna") entered into an Agreement and Plan of Merger dated as of July 24, 2015, by and among Anthem, Cigna and Anthem Merger Sub Corp., a Delaware corporation and a direct wholly-owned subsidiary of Anthem, pursuant to which Anthem will acquire all outstanding shares of Cigna. The acquisition is expected to close in the second half of 2016 and is subject to certain state regulatory approvals, standard closing conditions, customary approvals required under the Hart-Scott-Rodino Antitrust Improvements Act and the approval of both the Anthem, Inc. shareholders and Cigna's stockholders.

B. Significant Transactions for Each Period

On December 9, 2015, the Company declared an ordinary dividend of \$19,100,000 which was paid to its parent, ATH Holding, on December 23, 2015.

On December 5, 2014, the Company declared an ordinary dividend of \$43,000,000 which was paid to its parent, ATH Holding, on December 20, 2014.

C. Intercompany Management and Service Arrangements

There were no changes to the intercompany management and service arrangements and there were no additional arrangements entered into during 2015 and 2014. The amounts of transactions under such agreements are presented in Schedule Y, Part 2.

NOTES TO FINANCIAL STATEMENTS

D. Amounts Due from or to Related Parties

At December 31, 2015 and 2014, the Company reported \$15,212,189 and \$12,456,915 due from affiliates and \$6,395,218 and \$6,303,439 due to affiliates, respectively. The December 31, 2015 receivable and payable balances represent intercompany transactions that will be settled in accordance with the settlement terms of the intercompany agreements.

Following is a summary of transactions between the Company and various affiliates during the years:

	2015	2014
The Anthem Companies Inc.		
Payroll and Employee Administrative Services	\$ 43,542,629	\$ 39,911,715
Anthem Inc.		
Federal Income Tax Payments	20,959,333	19,292,182
Corporate Services	20,979,831	19,127,009
ACA Fee Assessment	17,345,493	13,442,456
Information Technology Services	5,169,905	6,785,176
Anthem Insurance Companies, Inc.		
Information Technology Services	74,104	238,912
Corporate/Shared Services	276,804	225,794
WellPoint Information Technology Services, Inc.		
Information Technology Services	2,036,245	1,748,115
Corporate Services	27,002	17,298
Blue Cross of California		
Corporate Services	185,829	312,256
Information Technology Services	11,950	18,982
Anthem Health Plans, Inc.		
Claims Processing	596,613	587,080
Corporate Services	44,042	32,287
Medical Management	60,788	27,924
Anthem Health Plans of New Hampshire, Inc.		
Customer Service	323,660	459,202
Corporate Services	1,811	(6,708)
Anthem Health Plans of Virginia, Inc.		
Information Technology Services	89,842	221,930
Corporate Services	255,091	156,093
Costs allocated from various affiliates not listed above	1,353,097	1,099,633
Total Schedule Y, Part 2, Column 8	<u>\$ 113,334,069</u>	<u>\$ 103,697,336</u>

E. Guarantees or Contingencies for Related Parties

The Company did not enter into guarantees or undertakings for the benefit of an affiliate which would result in a material contingent exposure of the Company's or any affiliated insurer's assets or liabilities.

F. Management and Service Agreements and Cost Sharing Arrangements

The Company has entered into administrative services agreements with its affiliated companies. Pursuant to these agreements, various administrative, management and support services are provided to or provided by the Company. The costs and expenses related to these administrative management and support services are allocated to or allocated by the Company in an amount equal to the direct and indirect costs and expenses incurred in providing these services. Costs include expenses such as salaries, employee benefits, communications, advertising, consulting services, rent, utilities, billing, accounting, underwriting, and product development, which support the Company's operations. These costs are allocated based on various utilization statistics.

The Company is party to a cash concentration agreement with its affiliated companies. Under this agreement, any of the Company's affiliates may be designated as a cash manager to handle the collection and/or payment of funds on behalf of the Company. Conversely, the Company may be designated as a cash manager to handle the collection and/or payment of funds on behalf of its affiliates. Cash services covered under this agreement include the collection of premiums and other revenue, the collection of benefit and administrative expense reimbursements, the payment of policy benefits, payroll expense, general and administrative expense, and accounts payable disbursements.

G. Nature of Control Relationships that Could Affect Operations or Financial Position

ATH Holding owns all outstanding shares of the Company. The Company's ultimate parent is Anthem.

H. Amount Deducted for Investment in Upstream Company

The Company does not own shares of upstream intermediate entities or Anthem.

I. Detail of Investments in Affiliates Greater than 10% of Admitted Assets

At December 31, 2015 and 2014, the Company did not have investments in affiliates that exceeded 10% of the Company's admitted assets.

NOTES TO FINANCIAL STATEMENTS

J. Write-down for Impairments of Investments in Subsidiary, Controlled or Affiliated Companies

The Company did not have any investments in a subsidiary, controlled or affiliated company during the years ended December 31, 2015 and December 31, 2014.

K. Investment in a Foreign Insurance Subsidiary

The Company does not have investments in foreign insurance subsidiaries.

L. Investments in Downstream Non-insurance Holding Companies.

The Company does not have investments in downstream non-insurance holding companies.

11. Debt

A. Debt, Including Capital Notes

The Company had no debt, including capital notes, outstanding at December 31, 2015 and 2014.

B. FHLB (Federal Home Loan Bank) Agreements

The Company had no FHLB Agreements outstanding at December 31, 2015 and 2014.

12. Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans

A. Defined Benefit Plan

Not applicable - See Note 12.G.

B. Not applicable - See Note 12.G.

C. Not applicable - See Note 12.G

D. Not applicable - See Note 12.G.

E. Defined Contribution Plan

Not applicable – See Note 12.G.

F. Multiemployer Plans

The Company does not participate in a multiemployer plan.

G. Consolidated/Holding Company Plans

The Company participates in the Anthem Cash Balance Pension Plan (the "Plan"), a frozen non-contributory defined benefit pension plan sponsored by ATH Holding covering most employees of Anthem and its subsidiaries. ATH Holding allocates a share of the total accumulated (credits) costs of the Plan to the Company based on the number of allocated employees. During 2015 and 2014, these (credits) costs totaled \$(306,979) and \$(287,113), respectively. The Company has no legal obligation for the benefits under this plan.

The Company participates in a postretirement medical benefit plan, sponsored by ATH Holding, providing certain health, life, vision and dental benefits to eligible retirees. ATH Holding allocates a share of the total accumulated costs of this plan to the Company based on the number of allocated employees. During 2015 and 2014, these costs totaled \$13,042 and \$11,368, respectively. The Company has no legal obligation for the benefits under this plan.

The Company participates in a deferred compensation plan sponsored by Anthem which covers certain employees. The deferred amounts are payable according to the terms and subject to the conditions of said deferred compensation agreements. Anthem allocates a share of the total accumulated costs of this plan to the Company based on the number of allocated employees subject to deferred compensation agreements. During 2015 and 2014, these costs totaled \$28,090 and \$26,223, respectively. The Company has no legal obligation for benefits under this plan.

The Company participates in the Anthem 401(k) Retirement Savings Plan, sponsored by ATH Holding and covering substantially all employees. Voluntary employee contributions are matched by ATH Holding subject to certain limitations. ATH Holding allocates a share of the total accumulated costs of this plan to the Company based on the number of allocated employees. During 2015 and 2014, these costs totaled \$943,008 and \$915,744, respectively. The Company has no legal obligation for benefits under this plan.

H. Postemployment Benefits and Compensated Absences

Liabilities for earned not yet taken vacation and severance benefits have been accrued as of December 31, 2015 and 2014.

NOTES TO FINANCIAL STATEMENTS

I. Impact of Medicare Modernization Act on Postretirement Benefits (INT 04-17)

Not applicable.

13. Capital and Surplus, Shareholders' Dividend Restrictions and Quasi-Reorganizations

(1) Outstanding Shares

As of December 31, 2015, the Company has 2,500 shares of Class A, \$1,000 par value, common stock authorized. The number of shares issued and outstanding is 2,500.

(2) Preferred Stock

The Company has no preferred stock outstanding.

(3) Dividend Restrictions

Under Maine law, the Company is limited in the amount of dividends that can be declared without regulatory approval. The Superintendent of Insurance must approve any dividend that, together with all dividends declared during the preceding twelve months, exceeds the greater of the net gain from operations for the twelve-month period ending December 31 of the preceding year or 10% of the Company's surplus to policyholders as of December 31 of the preceding year as long as unassigned surplus is positive. Also, any dividend paid from other than unassigned funds will need the approval of the Superintendent of Insurance.

(4) Dividends Paid

See Note 10.B.

(5) Maximum Ordinary Dividend During 2016

Within the limitations of (3) above, the Company may pay \$22,173,708 in dividends during 2016 without prior approval.

(6) Unassigned Surplus Restrictions

Unassigned surplus funds are not restricted at December 31, 2015.

(7) Mutual Surplus Advances

Not applicable.

(8) Company Stock Held for Special Purpose

There are no shares of stock held for special purposes at December 31, 2015.

(9) Changes in Special Surplus Funds

The changes in balances of special surplus funds from the prior year are due to the amounts segregated for the estimated 2016 Affordable Care Act ("ACA") health insurer fee and the recognized gain on the sale of the home office building.

(10) Changes in Unassigned Funds

The portion of unassigned funds represented by cumulative unrealized gains was \$24,047 at December 31, 2015.

(11) Surplus Notes

The Company has not issued any surplus notes or debentures or similar obligations.

(12) Restatement Due to Prior Quasi-Reorganizations

The Company had no restatements due to prior quasi-reorganizations.

(13) Quasi-Reorganizations over Prior 10 Years

The Company has not been involved in any quasi-reorganizations during the past 10 years.

14. Liabilities, Contingencies and Assessments

A. Contingent Commitments

The Company has no contingent commitments at December 31, 2015.

NOTES TO FINANCIAL STATEMENTS

B. Assessments

The Company is subject to guaranty fund and other assessments by the state in which it writes business. Guaranty fund assessments are accrued at the time of insolvencies. Other assessments are accrued at either the time of the assessment or at the time the losses are incurred.

The State of Maine has not issued a guaranty fund assessment, and the Company has not recorded a liability for an assessment as of December 31, 2015.

C. Gain Contingencies

The Company has no gain contingencies at December 31, 2015.

D. Claims-Related Extra Contractual Obligation and Bad Faith Losses Stemming from Lawsuits

Not applicable.

E. Joint and Several Liabilities

Not applicable.

F. All Other Contingencies

Anthem and some of its subsidiaries, including the Company, currently is a defendant in eleven putative class actions relating to out-of-network ("OON") reimbursements that were consolidated into a single multi-district lawsuit called *In re WellPoint, Inc.* (now known as Anthem, Inc.) *Out-of-Network "UCR" Rates Litigation* that is pending in the United States District Court for the Central District of California. The lawsuits were filed in 2009. The plaintiffs include a) current and former members on behalf of a putative class of members who received OON services for which the defendants paid less than billed charges, b) the American Medical Association, c) four state medical associations, d) OON physicians, e) OON non-physician providers, f) the American Podiatric Association, g) the California Chiropractic Association and h) the California Psychological Association, on behalf of putative classes of OON physicians and all OON non-physician health care providers. The plaintiffs have filed several amended complaints alleging that the defendants violated the Racketeer Influenced and Corrupt Organizations Act ("RICO"), the Sherman Antitrust Act, ERISA, federal regulations, and state law by using an OON reimbursement database called Ingenix and by using non-Ingenix OON reimbursement methodologies. Anthem has filed motions to dismiss in response to each of those amended complaints. Anthem's motions to dismiss have been granted in part and denied in part by the court. The most recent pleading filed by the plaintiffs is a Fourth Amended Complaint to which Anthem filed a motion to dismiss most, but not all, of the claims. In July 2013, the court issued an order granting, in part and denying in part, Anthem's motion. The court held that the state and federal anti-trust claims, along with the RICO claims, should be dismissed in their entirety with prejudice. The court further found that the ERISA claims, to the extent they involved non-Ingenix methodologies and along with those that involved alleged non-disclosures, should be dismissed with prejudice. The court also dismissed most of the plaintiffs' state law claims with prejudice. The only claims that remain after the court's decision are a) an ERISA benefits claim relating to claims priced based on Ingenix, b) a breach of contract claim on behalf of one subscriber plaintiff, c) a breach of implied covenant claim on behalf of one subscriber plaintiff, and d) one subscriber plaintiff's claim under the California Unfair Competition Law. The plaintiffs filed a motion for reconsideration of the motion to dismiss order, which the court granted in part and denied in part. The court ruled that the plaintiffs adequately allege that one Georgia provider plaintiff is deemed to have exhausted administrative remedies regarding non-Ingenix methodologies based on the facts alleged regarding that plaintiff; therefore, those claims are back in the case. Fact discovery is complete. The plaintiffs filed a motion for class certification in November 2013 seeking six different classes, which was denied in its entirety in late 2014. The California subscriber plaintiffs filed a motion for leave to file a renewed motion for class certification with more narrowly defined proposed classes, which the court denied. In late 2015, all but two of the individually named subscribers and all of the providers and medical associations dismissed their claims with prejudice. The only plaintiffs remaining in the case are two subscribers. Motions for summary judgment are due in early 2016. Earlier in the case, in 2009, Anthem filed a motion in the United States District Court for the Southern District of Florida, or the Florida Court, to enjoin the claims brought by the physician plaintiffs and certain medical association plaintiffs based on prior litigation releases, which was granted in 2011. The Florida Court ordered those plaintiffs to dismiss their claims that are barred by the release. The plaintiffs then filed a petition for declaratory judgment asking the court to find that these claims are not barred by the releases from the prior litigation. Anthem filed a motion to dismiss the declaratory judgment action, which was granted. The plaintiffs appealed the dismissal of the declaratory judgment to the United States Court of Appeals for the Eleventh Circuit, but the dismissal was upheld. The enjoined physicians and some of the medical associations did not dismiss their barred claims. The Florida Court found those enjoined plaintiffs in contempt and sanctioned them in July 2012. The barred physicians are paying the sanctions and have appealed the Florida Court's sanctions order to the United States Court of Appeals for the Eleventh Circuit. Oral argument on that appeal occurred in October 2013 and the Eleventh Circuit issued its decision in June 2014. The Eleventh Circuit upheld the Florida Court's injunction of the plaintiffs' antitrust and RICO claims, but vacated the injunction as to the ERISA claims based on the denial or underpayment of benefits occurring after the effective date of the earlier releases. Based on this decision, the Florida Court vacated the sanctions. The plaintiffs then filed a petition for writ of certiorari with the U.S. Supreme Court. The American Medical Association filed an amicus brief in support of the petition. The U.S. Supreme Court denied the petition on February 23, 2015. Anthem intends to vigorously defend these suits; however, their ultimate outcome cannot be presently determined.

Anthem and some of its subsidiaries, including the Company, are a defendant in multiple lawsuits that were initially filed in 2012 against the Blue Cross and Blue Shield Association ("BCBSA") as well as Blue Cross and/or Blue Shield licensees across the country. The cases were consolidated into a single multi-district lawsuit called *In re Blue Cross Blue Shield Antitrust Litigation* that is pending in the United States District Court for the Northern District of Alabama. Generally, the suits allege that the BCBSA and the Blue plans have engaged in a conspiracy to horizontally allocate geographic markets through license agreements, best efforts rules (which limit the percentage of non-Blue revenue of each plan), restrictions on acquisitions and other arrangements in violation of the Sherman Antitrust Act and related state laws. The cases were brought by two putative nationwide classes of plaintiffs, health plan subscribers and providers. Subscriber and provider plaintiffs each filed consolidated amended complaints on July 1, 2013. The consolidated

NOTES TO FINANCIAL STATEMENTS

amended subscriber complaint was also brought on behalf of putative state classes of health plan subscribers in Alabama, Arkansas, California, Florida, Hawaii, Illinois, Louisiana, Michigan, Mississippi, Missouri, New Hampshire, North Carolina, Pennsylvania, Rhode Island, South Carolina, Tennessee, and Texas. Defendants filed motions to dismiss in September 2013, which were argued in April 2014. In June 2014, the Court denied the majority of the motions, ruling that plaintiffs had alleged sufficient facts at this stage of the litigation to avoid dismissal of their claims. Following the subsequent filing of amended complaints by each of the subscriber and provider plaintiffs, Anthem filed its answer and asserted its affirmative defenses in December 2014. Discovery has commenced. Anthem intends to vigorously defend these suits; however, their ultimate outcome cannot be presently determined.

In February 2015, Anthem reported that it was the target of a sophisticated external cyber-attack. The attackers gained unauthorized access to certain of Anthem's information technology systems and obtained personal information related to many individuals and employees, such as names, birthdays, health care identification/social security numbers, street addresses, email addresses, phone numbers and employment information, including income data. To date, there is no evidence that credit card or medical information, such as claims, test results or diagnostic codes, were targeted, accessed or obtained, although no assurance can be given that Anthem will not identify additional information that was accessed or obtained.

Anthem has continued to implement security enhancements since this incident and is supporting federal law enforcement efforts to identify the responsible parties. Upon discovery of the cyber-attack, Anthem took immediate action to remediate the security vulnerability and retained a cybersecurity firm to evaluate its systems and identify solutions based on the evolving landscape. Anthem is providing credit monitoring and identity protection services to those who have been affected by this cyber-attack. Anthem has incurred expenses subsequent to the cyber-attack to investigate and remediate this matter and expects to continue to incur expenses of this nature in the foreseeable future. Anthem will recognize these expenses in the periods in which they are incurred.

Actions have been filed in various federal and state courts, and other claims have been or may be asserted against Anthem on behalf of current or former members, current or former employees, other individuals, shareholders or others seeking damages or other related relief, allegedly arising out of the cyber-attack. State and federal agencies, including state insurance regulators, state attorneys general, the Health and Human Services Office of Civil Rights and the Federal Bureau of Investigation, are investigating events related to the cyber-attack, including how it occurred, its consequences and Anthem's responses. Although Anthem is cooperating in these investigations, Anthem may be subject to fines or other obligations, which may have an adverse effect on how Anthem operates its business and results of operations. With respect to the civil actions, a motion to transfer was filed with the Judicial Panel on Multidistrict Litigation in February 2015 and was subsequently heard by the Panel in May 2015. In June 2015, the Panel entered its order transferring the consolidated matter to the U.S. District Court for the Northern District of California. The U.S. District Court entered its Case Management Order in September 2015. Anthem has filed a Motion to Dismiss several of the counts that are before the U.S. District Court. There remain a few state court cases that are presently proceeding outside of the Multidistrict Litigation.

Anthem has contingency plans and insurance coverage for certain expenses and potential liabilities of this nature. The coverage has been sufficient to cover the majority of claims and liabilities incurred to date. While a loss from these matters is reasonably possible, Anthem cannot reasonably estimate a range of possible losses because the investigation into the matter is ongoing, the proceedings remain in the early stages, alleged damages have not been specified, there is uncertainty as to the likelihood of a class or classes being certified or the ultimate size of any class if certified, and there are significant factual and legal issues to be resolved.

The Company is involved in other pending and threatened litigation of the character incidental to the business transacted, arising out of its operations and is from time to time involved as a party in various governmental and administrative proceedings. These investigations, audits and reviews include routine and special investigations by state insurance departments, state attorneys general, the U.S. Attorney General and Federal Agencies. Such investigations could result in the imposition of civil or criminal fines, penalties and other sanctions. The Company believes that any liability that may result from any one of these actions is unlikely to have a material adverse effect on the Company's financial position or results of operations.

At December 31, 2015 and 2014, the Company reported admitted assets of \$56,694,861 and \$59,501,848 respectively in premium receivables due from policyholders and agents and receivables due from uninsured plans. Based upon Company experience, any uncollectible receivables are not expected to exceed \$9,309,057 that was non-admitted at December 31, 2015; therefore, no additional provision for uncollectible amounts has been recorded. The potential for any additional loss is not believed to be material to the Company's financial condition.

15. Leases

A. Lessee Operating Lease

- (1) The Company leases office space, computer hardware and software products, and miscellaneous equipment under various non-cancelable operating leases. Related lease expense for 2015 and 2014 was \$1,994,802 and \$1,754,708, respectively.
- (2) Future minimum lease payments under the operating lease, before amortization of the recognized gain in special surplus, are as follows for years ending December 31:

2016	\$	1,837,660
2017		1,837,660
2018		1,837,660
2019		1,837,660
2020		1,837,660
Thereafter (2021-2027)		12,097,928
	\$	<u>21,286,228</u>

NOTES TO FINANCIAL STATEMENTS

- (3) On July 30, 2015, the Company sold its real estate investment in its office building located at 2 Gannett Drive in South Portland, Maine to WPME001, LLC a Maine limited liability company, for \$25,800,000. Concurrently, the Company leased back the 2 Gannett Drive office building under a 12 year lease agreement with four optioned five-year renewal periods. In accordance with statutory accounting principles, the company accounted for the transaction as a sale-leaseback settled entirely in cash, and recognized the entire gain directly to special surplus funds. The recognized gain to special surplus funds of \$15,466,022 is being amortized to unassigned surplus on a straight-line basis over the 12 year life of the lease. This amount will be reported as a realized capital gain in each year in the Statement of Revenue and Expenses. The amount of realized capital gain in the Statement of Revenue and Expenses recognized as of December 31, 2015 is \$540,479.

B. Lessor Leases

- (1) The Company has not entered into any operating leases.
- (2) The Company has not entered into any leveraged leases.

16. Information About Financial Instruments With Off-Balance Sheet Risk and Financial Instruments With Concentrations of Credit Risk

The Company has no significant financial instruments with off-balance sheet risk.

Financial instruments that potentially subject the Company to concentrations of credit risk consist primarily of investment securities. All investment securities are managed by professional investment managers within policies authorized by the Board of Directors. Such policies limit the amounts that may be invested in any one issuer and prescribe certain investee company criteria. As of December 31, 2015, there were no significant concentrations.

17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities

A. Transfers of Receivables Reported as Sales

Not applicable at December 31, 2015 and 2014.

B. Transfer and Servicing of Financial Assets

- (1) The Company participates in a securities lending program whereby marketable securities in its investment portfolio are transferred to independent brokers or dealers. At December 31, 2015, the fair value of securities loaned was \$11,327,279 and the carrying value of securities loaned was \$11,187,804
- (2)-(7) Not applicable.

C. Wash Sales

- (2) In the course of the Company's asset management, securities may be sold and reacquired within 30 days of the sale date to enhance the yield on the investments.
- (3) At December 31, 2015 and 2014, there were no wash sales involving securities with a NAIC designation of 3 or below or unrated.

18. Gain or Loss to the Reporting Entity from Uninsured Plans and the Uninsured Portion of Partially Insured Plans

A. Administrative Services Only Plans

The gain from operations from Administrative Services Only ("ASO") uninsured plans and the uninsured portion of partially insured ASO plans was as follows during 2015:

	ASO Uninsured Plans	Uninsured Portion of Partially Insured Plans	Total ASO
a. Net reimbursement for administrative expenses (including administrative fees) in excess of actual expenses	\$ 385,296	\$ -	\$ 385,296
b. Total net other income or expenses (including interest paid to or received from plans)	\$ -	\$ -	\$ -
c. Net gain or (loss) from operations	\$ 385,296	\$ -	\$ 385,296
d. Total claim payment volume	\$ 28,453,201	\$ -	\$ 28,453,201

NOTES TO FINANCIAL STATEMENTS

B. Administrative Services Contract Plans

The gain from operations from Administrative Services Contract ("ASC") uninsured plans and the uninsured portion of partially insured ASC plans was as follows during 2015:

	ASC Uninsured Plans	Uninsured Portion of Partially Insured Plans	Total ASC
a. Gross reimbursement for medical cost incurred	\$ 380,528,708	\$ -	\$ 380,528,708
b. Gross administrative fees accrued	\$ 24,089,208	\$ -	\$ 24,089,208
c. Other income or expenses (including interest paid to or received from plans)	\$ -	\$ -	\$ -
d. Gross expenses incurred (claims and administrative)	\$ 399,465,027	\$ -	\$ 399,465,027
e. Total net gain or (loss) from operations	\$ 5,152,889	\$ -	\$ 5,152,889

C. Medicare or Similarly Structured Cost-Based Reimbursement Contract

Not applicable at December 31, 2015 and 2014.

19. Direct Premium Written/Produced by Managing General Agents/Third Party Administrators

No premiums were written by managing general agents or third party administrators during the years ended December 31, 2015 and 2014.

20. Fair Value Measurements

A.

- (1) The Company had no assets or liabilities measured at fair value at December 31, 2015 and 2014.
- (2) There are no investments in Level 3 as of December 31, 2015 and 2014.
- (3) The Company's policy is to recognize transfers between Levels, if any, as of the beginning of the reporting period.
- (4) Fair values of fixed maturity securities are based on quoted market prices, where available. These fair values are obtained primarily from third party pricing services, which generally use Level 1 or Level 2 inputs, for the determination of fair value to facilitate fair value measurements and disclosures. United States Government securities represent Level 1 securities, while Level 2 securities primarily include corporate securities, securities from states, municipalities and political subdivisions and residential mortgage-backed securities. For securities not actively traded, the third party pricing services may use quoted market prices of comparable instruments or discounted cash flow analyses, incorporating inputs that are currently observable in the markets for similar securities. Inputs that are often used in the valuation methodologies include, but are not limited to, broker quotes, benchmark yields, credit spreads, default rates and prepayment speeds.

Fair values of equity securities are generally designated as Level 1 and are based on quoted market prices. For certain equity securities, quoted market prices for the identical security are not always available and the fair value is estimated by reference to similar securities for which quoted prices are available. These securities are designated Level 2.

Certain financial assets are measured at fair value using Level 3 inputs, such as certain non-investment grade bonds and loan-backed securities or investments that are impaired during the year and recorded at fair value.

There have been no significant changes in the valuation techniques during the current period.

B. Fair Value Measurements Under Other Accounting Pronouncements

Not applicable at December 31, 2015 and 2014.

C. Financial Instruments

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Not Practicable (Carrying Value)
Bonds	\$ 208,261,588	\$ 205,859,810	\$ 161,993	\$ 208,099,595	\$ -	\$ -
Short-term Investments	3,678,914	3,678,914	3,678,914	-	-	-
Securities Lending collateral	11,577,996	11,577,996	11,577,996	-	-	-

D. Not Practicable to Estimate Fair Value

There are no financial instruments that were not practicable to estimate fair value.

NOTES TO FINANCIAL STATEMENTS

21. Other Items**A. Unusual or Infrequent Items**

Not applicable at December 31, 2015 and 2014.

B. Troubled Debt Restructuring: Debtors

Not applicable at December 31, 2015 and 2014.

C. Other Disclosures

Land is recorded at cost and other real estate is recorded at cost less accumulated depreciation. Depreciation is computed primarily using the straight-line method over the estimated useful lives of the assets. Real estate was not adjusted to market value at the date of purchase.

Bonds with an amortized cost of \$810,948 and \$813,415 were on deposit with a regulatory authority at December 31, 2015 and 2014, respectively.

The Company participates in the Federal Employee Health Benefits Program ("FEHBP") with other Blue Cross Blue Shield Plans. This program includes a fully-insured experience-rated contract, commonly known as the FEP, between OPM and BCBSA, which acts as an agent for the participating Blue Cross Blue Shield plans. In addition, each participating plan, including the Company, executes a contract with BCBSA which obligates each participating plan to underwrite FEP benefits in its service area.

FEP premium is earned when chargeable benefit costs, allowable expenses or retentions are incurred. Deferred premiums are recorded to offset the FEP liabilities for incurred claims but not reported and claims adjustment expenses that are due from the OPM, when the claims are ultimately paid. Premium rates are developed by BCBSA and negotiated with OPM annually. These rates determine the funds that will be available to the participating Blue Cross Blue Shield plans to provide insurance to Federal employees that enroll with the Blue Cross Blue Shield FEP. The excess of gross premiums for the life of the program over the charges for the life of the program on an accrual basis is accounted for as a rate stabilization reserve (commonly referred to as the special reserve), as required by the contract between OPM and BCBSA. Each year, OPM also allocates a portion of the premiums to a contingency reserve which may be utilized by the participating plans in the event that annual premiums paid to the insurance carrier are insufficient or the rate stabilization reserve falls below certain levels prescribed by OPM. Premiums paid to the carrier and available to each participating Blue Cross Blue Shield plan, including the special reserve and the contingency reserve, are held at the U.S. Treasury, including amounts unused from prior periods. Any premiums that remain in the rate stabilization reserve upon termination of the BCBSA contract after the claims run-out and reimbursement of allowable administrative expenses would be returned to OPM for the benefit of the FEHBP. The FEP contract renews automatically each year unless written notice of termination is given by either party.

In accordance with the FEP contract, premium funds that exceed daily operating needs are held on behalf of the Company in letter of credit accounts at the U.S. Treasury to provide funding for claims, administrative expenses, and other charges to the contract. The Company, along with other Blue Cross Blue Shield plans who participate in the FEHBP contract, has an unrestricted right to draw funds being held in the U.S. Treasury, other than those allocated to the contingency reserve, for any valid claim or expense. If the balance of the special reserve is exhausted or falls below certain prescribed levels, OPM will transfer funds from the contingency reserve to the special reserve to the extent that funds are available in the contingency reserve. Amounts incurred in excess of the total reserves held at the U.S. Treasury for the FEP would not be reimbursed to the Company.

The Company has recorded its allocable share of the special reserve funds held in the U.S. Treasury as an asset, with an equivalent amount recorded as a rate stabilization reserve. These amounts are \$52,145,433 and \$50,007,594 as of December 31, 2015 and 2014, respectively, and are included in other than invested assets and in health policy reserves in the accompanying balance sheets.

FEP represented approximately 54.4% and 59.3% of premiums receivable as of December 31, 2015 and 2014, respectively. FEP represented approximately 18.7% and 18.2% of net premiums written for the years ended December 31, 2015 and 2014, respectively.

D. Business Interruption Insurance Recoveries

The Company has reported no recoveries for business interruption for the years ended December 31, 2015 and 2014.

E. State Transferable and Non-transferable Tax Credits

The Company did not have state transferable or non-transferable tax credits at December 31, 2015 and 2014.

F. Subprime Mortgage-Related Risk Exposure

- (1) The Company's investment strategy of providing safety and preservation of capital, sufficient liquidity to meet cash flow requirements and the attainment of a competitive after-tax investment return is supported by a well-diversified portfolio consisting of many different types of investments. The portion of the Company's investment portfolio with subprime mortgage-related risk exposure is relatively small in comparison to the overall investment portfolio, and consists mainly of investment grade securities with no exposure to collateralized debt obligations. All mortgage related investments are monitored closely as part of a quarterly review performed by the Anthem Investment Impairment Review committee.

NOTES TO FINANCIAL STATEMENTS

- (2) At December 31, 2015, the Company did not carry investments in subprime mortgage loans in its portfolio.
- (3) At December 31, 2015, the Company’s investment portfolio did not contain investments with subprime mortgage-related risk exposure.
- (4) The Company did not underwrite Mortgage Guaranty or Financial Guaranty insurance coverage at December 31, 2015.

G. Retained Assets

The Company does not have retained assets at December 31, 2015 and 2014.

22. Events Subsequent

The Company is subject to an annual fee under section 9010 of the ACA. A health insurance company’s portion of the annual fee becomes payable once the entity provides health insurance for any U.S. health risk for each calendar year beginning on or after January 1 of the year the fee is due. The Company has written health insurance subject to the ACA assessment and expects to conduct health insurance business in 2016. The Company reflected its estimated portion of the fee payable on September 30, 2016 in special surplus. The annual fee under section 9010 of the ACA has been suspended for 2017 and will resume for 2018 and beyond.

	Current Year	Prior Year
A. Did the reporting entity write accident and health insurance premium that is subject to Section 9010 of the Federal Affordable Care Act (YES/NO)?	YES	
B. ACA fee assessment payable for the upcoming year	\$ 16,942,769	\$ 18,002,175
C. ACA fee assessment paid	\$ 17,345,493	\$ 13,442,456
D. Premium written subject to ACA 9010 assessment	\$ 943,126,961	\$ 983,831,513
E. Total Adjusted Capital before surplus adjustment (Five-Year Historical Line 14).	\$ 154,005,390	
F. Total Adjusted Capital after surplus adjustment (Five-Year Historical Line 14 minus Line 22B above).	\$ 137,062,621	
G. Authorized Control Level (Five-Year Historical Line 15)	\$ 26,975,267	
H. Would reporting the ACA assessment as of December 31, 2015 have triggered an RBC action level (YES/NO)?	No	

Subsequent events have been considered through February 26, 2016 for the statutory statement issued on February 27, 2016. There were no other events occurring subsequent to December 31, 2015 requiring recognition or disclosure.

23. Reinsurance

A. Ceded Reinsurance Report

Section 1 – General Interrogatories

- (2) Are any of the reinsurers that are listed in Schedule S as non-affiliated owned in excess of 10% or controlled, either directly or indirectly, by the Company or by any representative, officer, trustee, or director of the Company?

Yes () No (X)

If yes, give full details

- (3) Have any policies issued by the Company been reinsured with a company chartered in a country other than the United States (excluding U. S. Branches of such companies) that is owned in excess of 10% or controlled, directly or indirectly, by an insured, a beneficiary, a creditor or any other person not primarily engaged in the insurance business?

Yes () No (X)

Section 2 – Ceded Reinsurance Report – Part A

- (1) Does the Company have any reinsurance agreements in effect under which the reinsurer may unilaterally cancel any reinsurance for reasons other than for nonpayment of premium or other similar credits?

Yes () No (X)

- (2) Does the reporting entity have any reinsurance agreements in effect such that the amount of losses paid or accrued through the statement date may result in a payment to the reinsurer of amounts that, in aggregate and allowing for offset of mutual credits from other reinsurance agreements with the same reinsurer, exceed the total direct premium collected under the reinsured policies?

Yes () No (X)

NOTES TO FINANCIAL STATEMENTS

Section 3 – Ceded Reinsurance Report – Part B

- (1) What is the estimated amount of the aggregate reduction in surplus, (for agreements other than those under which the reinsurer may unilaterally cancel for reasons other than for nonpayment of premium or other similar credits that are reflected in Section 2 above) of termination of ALL reinsurance agreements, by either party, as of the date of this statement? Where necessary, the Company may consider the current or anticipated experience of the business reinsured in making this estimate.

\$6,982,223

- (2) Have any new agreements been executed or existing agreements amended, since January 1 of the year of this statement, to include policies or contracts that were in force or which had existing reserves established by the Company as of the effective date of the agreement?

Yes () No (X)

B. Uncollectible Reinsurance

The Company has no uncollectible reinsurance at December 31, 2015 and 2014.

C. Commutation of Ceded Reinsurance

The Company has not commuted ceded reinsurance during 2015 and 2014.

D. Certified Reinsurer Rating Downgraded or Status Subject Revocation

The Company has no downgraded certified reinsurer ratings or status subject revocations during 2015 and 2014.

24. Retrospectively Rated Contracts and Contracts Subject to Redetermination

- A. The Company sells accident and health policies for which the premiums vary based on loss experience. The Company estimates retrospective premium adjustments through the review of each retrospectively rated account, comparing the claim development with that anticipated in the policy contracts.
- B. The Company records accrued retrospective premium through written premium.
- C. The amount of net premiums written by the Company in 2015 and 2014 that were subject to retrospective rating features was \$958,706,004 and \$952,976,306, respectively, which represented 94.2% and 94.4%, respectively, of the total net premiums written. No other net premiums written by the Company were subject to retrospective rating or contract redetermination features.
- D. The Company has no medical loss ratio rebate accruals or payments to report for the years ended December 31, 2015 or 2014.

NOTES TO FINANCIAL STATEMENTS

E. Risk Sharing Provisions of the Affordable Care Act

(1)	Did the reporting entity write accident and health insurance premium which is subject to the Affordable Care Act risk sharing provisions (YES/NO)?	Yes
(2)	Impact of Risk Sharing Provisions of the Affordable Care Act on Admitted Assets, Liabilities and Revenue for the Current Year	
a.	Permanent ACA Risk Adjustment Program	
	Assets	
1.	Premium adjustments receivable due to ACA Risk Adjustment	\$ 298,273
	Liabilities	
2.	Risk adjustment user fees payable for ACA Risk Adjustment	\$ 18,686
3.	Premium adjustments payable due to ACA Risk Adjustment	\$ -
	Operations (Revenue & Expense)	
4.	Reported as revenue in premium for accident and health contracts (written/collected) due to ACA Risk Adjustment	\$ 1,100,475
5.	Reported in expenses as ACA risk adjustment user fees (incurred/paid)	\$ 18,202
b.	Transitional ACA Reinsurance Program	
	Assets	
1.	Amounts recoverable for claims paid due to ACA Reinsurance	\$ 5,334,848
2.	Amounts recoverable for claims unpaid due to ACA Reinsurance (contra liability)	\$ 1,027,561
3.	Amounts receivable relating to uninsured plans for contributions for ACA Reinsurance	\$ -
	Liabilities	
4.	Liabilities for contributions payable due to ACA Reinsurance - not reported as ceded premium	\$ 1,657,436
5.	Ceded reinsurance premiums payable due to ACA Reinsurance	\$ -
6.	Liability for amounts held under uninsured plans contributions for ACA Reinsurance	\$ -
	Operations (Revenue & Expense)	
7.	Ceded reinsurance premiums due to ACA Reinsurance	\$ 445,890
8.	Reinsurance recoveries (income statement) due to ACA Reinsurance payments or expected payments	\$ 6,692,520
9.	ACA Reinsurance contributions - not reported as ceded premium	\$ 6,183,853
c.	Temporary ACA Risk Corridors Program	
	Assets	
1.	Accrued retrospective premium due to ACA Risk Corridors	\$ -
	Liabilities	
2.	Reserve for rate credits or policy experience rating refunds due to ACA Risk Corridors	\$ -
	Operations (Revenue & Expense)	
3.	Effect of ACA Risk Corridors on net premium income (paid/received)	\$ (4,427)
4.	Effect of ACA Risk Corridors on change in reserves for rate credits	\$ (546,769)

Line items where the amount is zero is due to no activity as of the reporting date.

NOTES TO FINANCIAL STATEMENTS

(3) Roll-forward of prior year ACA risk-sharing provisions for the following asset (gross of any nonadmission) and liability balances, along with the reasons for adjustments to prior year balance.

		Accrued During the Prior Year on Business Written Before December 31 of the Prior Year		Received or Paid as of the Current Year on Business Written Before December 31 of the Prior Year		Differences		Adjustments		Ref	Unsettled Balances as of the Reporting Date	
						Prior Year Accrued Less Payments (Col 1 - 3)	Prior Year Accrued Less Payments (Col 2 - 4)	To Prior Year Balances	To Prior Year Balances		Cumulative Balance from Prior Years (Col 1 - 3 + 7)	Cumulative Balance from Prior Years (Col 2 - 4 + 8)
						5	6	7	8		9	10
		1	2	3	4	Receivable	(Payable)	Receivable	(Payable)		Receivable	(Payable)
a.	Permanent ACA Risk Adjustment Program											
	1. Premium adjustments receivable	\$ 2,716,000	\$ -	\$ 3,287,191	\$ -	\$ (571,191)	\$ -	\$ 869,464	\$ -	A	\$ 298,273	\$ -
	2. Premium adjustments (payable)	\$ -	\$ 849,000	\$ -	\$ 617,991	\$ -	\$ 231,009	\$ -	\$ (231,009)	B	\$ -	\$ -
	3. Subtotal ACA Permanent Risk Adjustment Program	\$ 2,716,000	\$ 849,000	\$ 3,287,191	\$ 617,991	\$ (571,191)	\$ 231,009	\$ 869,464	\$ (231,009)		\$ 298,273	\$ -
b.	Transitional ACA Reinsurance Program											
	1. Amounts recoverable for claims paid	\$ 4,459,500	\$ -	\$ 5,456,358	\$ -	\$ (996,858)	\$ -	\$ 996,858	\$ -	C	\$ -	\$ -
	2. Amounts recoverable for claims unpaid (contra liability)	\$ 666,748	\$ -	\$ -	\$ -	\$ 666,748	\$ -	\$ (666,748)	\$ -	D	\$ -	\$ -
	3. Amounts receivable relating to uninsured plans	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	E	\$ -	\$ -
	4. Liabilities for contributions payable due to ACA Reinsurance - not reported as ceded premium	\$ -	\$ 1,678,616	\$ -	\$ 1,678,616	\$ -	\$ -	\$ -	\$ -	F	\$ -	\$ -
	5. Ceded reinsurance premiums payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	G	\$ -	\$ -
	6. Liability for amounts held under uninsured plans	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	H	\$ -	\$ -
	7. Subtotal ACA Transitional Reinsurance Program	\$ 5,126,248	\$ 1,678,616	\$ 5,456,358	\$ 1,678,616	\$ (330,110)	\$ -	\$ 330,110	\$ -		\$ -	\$ -
c.	Temporary ACA Risk Corridors Program											
	1. Accrued retrospective premium	\$ 546,769	\$ -	\$ -	\$ -	\$ 546,769	\$ -	\$ (546,769)	\$ -	I	\$ -	\$ -
	2. Reserve for rate credits or policy experience rating refunds	\$ -	\$ -	\$ -	\$ 4,427	\$ -	\$ (4,427)	\$ -	\$ 4,427	J	\$ -	\$ -
	3. Subtotal ACA Risk Corridors Program	\$ 546,769	\$ -	\$ -	\$ 4,427	\$ 546,769	\$ (4,427)	\$ (546,769)	\$ 4,427		\$ -	\$ -
d.	Total for ACA Risk Sharing Provisions	\$ 8,389,017	\$ 2,527,616	\$ 8,743,549	\$ 2,301,034	\$ (354,532)	\$ 226,582	\$ 652,805	\$ (226,582)		\$ 298,273	\$ -

Explanations of Adjustments

- A. Adjustments were made to reflect the ending balance as reported in the Centers for Medicare & Medicaid Services "Summary Report on Transitional Reinsurance Payments and Permanent Risk Adjustment Transfers for the 2014 Benefit Year".

B. Adjustments were made to reflect the ending balance as reported in the Centers for Medicare & Medicaid Services "Summary Report on Transitional Reinsurance Payments and Permanent Risk Adjustment Transfers for the 2014 Benefit Year".

C. Adjustments were made to reflect the ending balance as reported in the Centers for Medicare & Medicaid Services "Summary Report on Transitional Reinsurance Payments and Permanent Risk Adjustment Transfers for the 2014 Benefit Year".

D. Adjustments were made to reflect the ending balance as reported in the Centers for Medicare & Medicaid Services "Summary Report on Transitional Reinsurance Payments and Permanent Risk Adjustment Transfers for the 2014 Benefit Year".

E. Not applicable.
- F. Not applicable.

G. Not applicable.

H. Not applicable.

I. Adjustments are based upon experience to date, the impact, if any, of other risk-sharing programs and the provisions of the Risk Corridor program.

J. Adjustments are based upon experience to date, the impact, if any, of other risk-sharing programs and the provisions of the Risk Corridor program.

NOTES TO FINANCIAL STATEMENTS

25. Change in Incurred Claims and Claim Adjustment Expenses

The estimated cost of claims and claims adjustment expenses attributable to insured events of the prior years decreased by \$3,617,451 during 2015. This is approximately 4.0% of unpaid claims and unpaid claims adjustment expenses of \$90,360,440 as of December 31, 2014. The redundancy reflects the decreases in estimated claims and claims adjustment expenses as a result of claims payments during the year, and as additional information is received regarding claims incurred prior to 2015. Recent claim development trends are also taken into account in evaluating the overall adequacy of unpaid claims and unpaid claims adjustment expenses.

26. Intercompany Pooling Arrangements

Not applicable at December 31, 2015 and 2014.

27. Structured Settlements

Not applicable at December 31, 2015 and 2014.

28. Health Care Receivables

A. Pharmaceutical Rebate Receivables

Quarter	Estimated Pharmacy Rebates as Reported on Financial Statements	Pharmacy Rebates as Billed or Otherwise Confirmed	Actual Rebates Received Within 90 Days of Billing	Actual Rebates Received Within 91 to 180 Days of Billing	Actual Rebates Received More Than 180 Days After Billing
12/31/2015	\$ 2,934,031	\$ 4,542,320	\$ -	\$ -	\$ -
9/30/2015	2,651,588	4,579,183	-	-	-
6/30/2015	2,518,363	4,461,122	353,603	5,932,611	-
3/31/2015	2,845,259	3,837,614	280,054	5,928,819	(9,540)
12/31/2014	\$ 2,647,760	\$ 3,497,189	\$ 275,399	\$ 5,488,974	\$ 274,962
9/30/2014	2,421,759	3,043,731	255,364	5,100,513	296,910
6/30/2014	1,998,000	3,326,499	265,882	4,779,548	417,553
3/31/2014	2,469,648	2,625,463	238,081	4,655,126	336,761
12/31/2013	\$ 1,981,974	\$ 3,383,050	\$ 236,136	\$ 5,057,555	\$ 216,384
9/30/2013	1,884,607	3,298,662	2,415	5,163,548	82,774
6/30/2013	1,289,091	3,495,502	238,500	4,596,236	154,075
3/31/2013	1,665,294	3,181,425	238,138	4,580,763	68,343

B. Risk Sharing Receivables

Not applicable at December 31, 2015 and 2014.

29. Participating Policies

Not applicable at December 31, 2015 and 2014.

30. Premium Deficiency Reserves

At December 31, 2015, the Company recorded premium deficiency reserves of \$302,723 related to the Medicare Supplement line of business. At December 31, 2014, the Company recorded premium deficiency reserves of \$1,425,549 related to the Medicare Advantage line of business.

(1) Liability carried for premium deficiency reserves	\$ 302,723
(2) Date of the most recent evaluation of this liability	12/31/2015
(3) Was anticipated investment income utilized in the calculation?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>

31. Anticipated Salvage and Subrogation

The Company took into account estimated anticipated subrogation and other recoveries in its determination of the liability for unpaid claims and reduced such liability by \$2,174,000 and \$904,000 at December 31, 2015 and 2014, respectively.

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES
GENERAL

1.1

Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer?
If yes, complete Schedule Y, Parts 1, 1A and 2

Yes [X] No []

1.2

If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent, or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations?

Yes [X] No [] N/A []

1.3

State Regulating?

Maine

2.1

Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity?

Yes [] No [X]

2.2

If yes, date of change:

3.1

State as of what date the latest financial examination of the reporting entity was made or is being made.

12/31/2013

3.2

State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released.

12/31/2013

3.3

State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date).

06/29/2015

3.4

By what department or departments?
State of Maine Bureau of Insurance

3.5

Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments?

Yes [] No [] N/A [X]

3.6

Have all of the recommendations within the latest financial examination report been complied with?

Yes [] No [] N/A [X]

4.1

During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity), receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
4.11 sales of new business?
4.12 renewals?

Yes [] No [X]
Yes [] No [X]

4.2

During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
4.21 sales of new business?
4.22 renewals?

Yes [] No [X]
Yes [] No [X]

5.1

Has the reporting entity been a party to a merger or consolidation during the period covered by this statement?

Yes [] No [X]

5.2

If yes, provide the name of the entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

1	2	3
Name of Entity	NAIC Company Code	State of Domicile

6.1

Has the reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period?

Yes [] No [X]

6.2

If yes, give full information:

7.1

Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity?

Yes [] No [X]

7.2

If yes,
7.21 State the percentage of foreign control; %
7.22 State the nationality(s) of the foreign person(s) or entity(s) or if the entity is a mutual or reciprocal, the nationality of its manager or attorney-in-fact; and identify the type of entity(s) (e.g., individual, corporation or government, manager or attorney in fact).

1	2
Nationality	Type of Entity

GENERAL INTERROGATORIES

- 8.1

Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board?

Yes [] No [X]
- 8.2

If response to 8.1 is yes, please identify the name of the bank holding company.
- 8.3

Is the company affiliated with one or more banks, thrifts or securities firms?

Yes [] No [X]
- 8.4

If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

1	2	3	4	5	6
Affiliate Name	Location (City, State)	FRB	OCC	FDIC	SEC

9.

What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?

Ernst & Young LLP, 155 North Wacker Drive, Chicago, IL 60606
- 10.1

Has the insurer been granted any exemptions to the prohibited non-audit services provided by the certified independent public accountant requirements as allowed in Section 7H of the Annual Financial Reporting Model Regulation (Model Audit Rule), or substantially similar state law or regulation?

Yes [] No [X]
- 10.2

If the response to 10.1 is yes, provide information related to this exemption:
- 10.3

Has the insurer been granted any exemptions related to the other requirements of the Annual Financial Reporting Model Regulation as allowed for in Section 18A of the Model Regulation, or substantially similar state law or regulation?

Yes [] No [X]
- 10.4

If the response to 10.3 is yes, provide information related to this exemption:
- 10.5

Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance laws?

Yes [X] No [] N/A []
- 10.6

If the response to 10.5 is no or n/a, please explain
11.

What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?

Mark Justus, Valuation Actuary (officer and employee): 120 Monument Circle, Indianapolis, IN 46204
- 12.1

Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly?

Yes [] No [X]
- 12.11

Name of real estate holding company
- 12.12

Number of parcels involved
- 12.13

Total book/adjusted carrying value

\$
- 12.2

If, yes provide explanation:
13.

FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:
- 13.1

What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?
- 13.2

Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located?

Yes [] No []
- 13.3

Have there been any changes made to any of the trust indentures during the year?

Yes [] No []
- 13.4

If answer to (13.3) is yes, has the domiciliary or entry state approved the changes?

Yes [] No [] N/A []
- 14.1

Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards?

Yes [X] No []
- (a)

Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- (b)

Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
- (c)

Compliance with applicable governmental laws, rules and regulations;
- (d)

The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
- (e)

Accountability for adherence to the code.
- 14.11

If the response to 14.1 is No, please explain:
- 14.2

Has the code of ethics for senior managers been amended?

Yes [X] No []
- 14.21

If the response to 14.2 is yes, provide information related to amendment(s).

Minor revisions were made in February 2015. Specifically, the language was modified for the following policy changes contained within the code: Community Service, Business Entertainment, Vendor Relationships, Prohibition on Discrimination in Marketing and Enrollment, and Business Relationships with Pharmaceutical Manufacturers. Additionally the Chief Executive Officer's letter was updated, a letter from the Chief Compliance Officer was added and certain informational sections were removed.
- 14.3

Have any provisions of the code of ethics been waived for any of the specified officers?

Yes [] No [X]
- 14.31

If the response to 14.3 is yes, provide the nature of any waiver(s).

GENERAL INTERROGATORIES

- 15.1 Is the reporting entity the beneficiary of a Letter of Credit that is unrelated to reinsurance where the issuing or confirming bank is not on the SVO Bank List? Yes [] No [X]
- 15.2 If the response to 15.1 is yes, indicate the American Bankers Association (ABA) Routing Number and the name of the issuing or confirming bank of the Letter of Credit and describe the circumstances in which the Letter of Credit is triggered.

1 American Bankers Association (ABA) Routing Number	2 Issuing or Confirming Bank Name	3 Circumstances That Can Trigger the Letter of Credit	4 Amount

BOARD OF DIRECTORS

16. Is the purchase or sale of all investments of the reporting entity passed upon either by the board of directors or a subordinate committee thereof? Yes [X] No []
17. Does the reporting entity keep a complete permanent record of the proceedings of its board of directors and all subordinate committees thereof? Yes [X] No []
18. Has the reporting entity an established procedure for disclosure to its board of directors or trustees of any material interest or affiliation on the part of any of its officers, directors, trustees or responsible employees that is in conflict with the official duties of such person? Yes [X] No []

FINANCIAL

19. Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)? Yes [] No [X]
- 20.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):

20.11 To directors or other officers\$0

20.12 To stockholders not officers\$0

20.13 Trustees, supreme or grand (Fraternal Only)\$0
- 20.2 Total amount of loans outstanding at the end of year (inclusive of Separate Accounts, exclusive of policy loans):

20.21 To directors or other officers\$0

20.22 To stockholders not officers\$0

20.23 Trustees, supreme or grand (Fraternal Only)\$0
- 21.1 Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in the statement? Yes [] No [X]
- 21.2 If yes, state the amount thereof at December 31 of the current year:

21.21 Rented from others\$0

21.22 Borrowed from others\$0

21.23 Leased from others\$0

21.24 Other\$0
- 22.1 Does this statement include payments for assessments as described in the Annual Statement Instructions other than guaranty fund or guaranty association assessments? Yes [X] No []
- 22.2 If answer is yes:

22.21 Amount paid as losses or risk adjustment\$0

22.22 Amount paid as expenses\$0

22.23 Other amounts paid\$1,724,510
- 23.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes [X] No []
- 23.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount:\$0

INVESTMENT

- 24.01 Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date? (other than securities lending programs addressed in 24.03) Yes [X] No []
- 24.02 If no, give full and complete information relating thereto
- 24.03 For security lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet. (an alternative is to reference Note 17 where this information is also provided)
The company's securities lending program authorizes lending agents to loan securities to approved borrowers for a negotiated fee. These loans are collateralized with 102% cash and the collateral is invested according to guidelines of the company's Investment Policy. For Statutory reporting, the collateral is carried off-balance sheet.
FMV of invested collateral - \$11,577,996
FMV of loaned securities - \$11,327,279
- 24.04 Does the Company's security lending program meet the requirements for a conforming program as outlined in the Risk-Based Capital Instructions? Yes [X] No [] N/A []
- 24.05 If answer to 24.04 is yes, report amount of collateral for conforming programs.\$11,577,996
- 24.06 If answer to 24.04 is no, report amount of collateral for other programs.\$
- 24.07 Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract? Yes [X] No [] N/A []
- 24.08 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%? Yes [X] No [] N/A []
- 24.09 Does the reporting entity or the reporting entity 's securities lending agent utilize the Master Securities lending Agreement (MSLA) to conduct securities lending? Yes [X] No [] N/A []

GENERAL INTERROGATORIES

24.10 For the reporting entity's security lending program state the amount of the following as December 31 of the current year:

24.101	Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2.	\$	11,577,996
24.102	Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2.	\$	11,577,996
24.103	Total payable for securities lending reported on the liability page.	\$	11,577,996

25.1 Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity, or has the reporting entity sold or transferred any assets subject to a put option contract that is currently in force? (Exclude securities subject to Interrogatory 21.1 and 24.03). Yes ☒ No ☐

25.2	If yes, state the amount thereof at December 31 of the current year:	25.21 Subject to repurchase agreements	\$	
		25.22 Subject to reverse repurchase agreements	\$	
		25.23 Subject to dollar repurchase agreements	\$	
		25.24 Subject to reverse dollar repurchase agreements	\$	
		25.25 Placed under option agreements	\$	
		25.26 Letter stock or securities restricted as to sale - excluding FHLB Capital Stock	\$	
		25.27 FHLB Capital Stock	\$	
		25.28 On deposit with states	\$	792,077
		25.29 On deposit with other regulatory bodies	\$	
		25.30 Pledged as collateral - excluding collateral pledged to an FHLB	\$	
		25.31 Pledged as collateral to FHLB - including assets backing funding agreements	\$	
		25.32 Other	\$	

25.3 For category (25.26) provide the following:

1 Nature of Restriction	2 Description	3 Amount

26.1 Does the reporting entity have any hedging transactions reported on Schedule DB? Yes ☐ No ☒

26.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes ☐ No ☐ N/A ☐
If no, attach a description with this statement.

27.1 Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity? Yes ☐ No ☒

27.2 If yes, state the amount thereof at December 31 of the current year. \$

28. Excluding items in Schedule E - Part 3 - Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 1, III - General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook? Yes ☒ No ☐

28.01 For agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

1 Name of Custodian(s)	2 Custodian's Address
Bank of New York Mellon Corporation	New York, NY

28.02 For all agreements that do not comply with the requirements of the NAIC Financial Condition Examiners Handbook, provide the name, location and a complete explanation:

1 Name(s)	2 Location(s)	3 Complete Explanation(s)

28.03 Have there been any changes, including name changes, in the custodian(s) identified in 28.01 during the current year? Yes ☐ No ☒

28.04 If yes, give full and complete information relating thereto:

1 Old Custodian	2 New Custodian	3 Date of Change	4 Reason

28.05 Identify all investment advisors, brokers/dealers or individuals acting on behalf of brokers/dealers that have access to the investment accounts, handle securities and have authority to make investments on behalf of the reporting entity:

1 Central Registration Depository Number(s)	2 Name	3 Address
106482	Dimensional Fund Advisors	Santa Monica, CA
113878	McDonnell Investment Management, LLC	Oak Brook, IL

GENERAL INTERROGATORIES

- 29.1 Does the reporting entity have any diversified mutual funds reported in Schedule D, Part 2 (diversified according to the Securities and Exchange Commission (SEC) in the Investment Company Act of 1940 [Section 5(b)(1)])? Yes [] No [X]
- 29.2 If yes, complete the following schedule:

1	2	3
CUSIP #	Name of Mutual Fund	Book/Adjusted Carrying Value
29.2999 - Total		0

- 29.3 For each mutual fund listed in the table above, complete the following schedule:

1	2	3	4
Name of Mutual Fund (from above table)	Name of Significant Holding of the Mutual Fund	Amount of Mutual Fund's Book/Adjusted Carrying Value Attributable to the Holding	Date of Valuation

30. Provide the following information for all short-term and long-term bonds and all preferred stocks. Do not substitute amortized value or statement value for fair value.

	1	2	3
	Statement (Admitted) Value	Fair Value	Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
30.1 Bonds	209,538,724	211,940,502	2,401,778
30.2 Preferred stocks	0		0
30.3 Totals	209,538,724	211,940,502	2,401,778

- 30.4 Describe the sources or methods utilized in determining the fair values:
Fair values were obtained from third-party pricing sources. If a security was not priced by a third-party pricing source, internal analytical systems or broker quotes were utilized.
- 31.1 Was the rate used to calculate fair value determined by a broker or custodian for any of the securities in Schedule D? Yes [] No [X]
- 31.2 If the answer to 31.1 is yes, does the reporting entity have a copy of the broker's or custodian's pricing policy (hard copy or electronic copy) for all brokers or custodians used as a pricing source? Yes [] No []
- 31.3 If the answer to 31.2 is no, describe the reporting entity's process for determining a reliable pricing source for purposes of disclosure of fair value for Schedule D:
.....
- 32.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Investment Analysis Office been followed? Yes [X] No []
- 32.2 If no, list exceptions:
.....

GENERAL INTERROGATORIES

OTHER

33.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any?\$128,753

33.2 List the name of the organization and the amount paid if any such payment represented 25% or more of the total payments to trade associations, service organizations and statistical or rating bureaus during the period covered by this statement.

1 Name	2 Amount Paid
Blue Cross Blue Shield Association	128,753
.....

34.1 Amount of payments for legal expenses, if any?\$391,191

34.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payments for legal expenses during the period covered by this statement.

1 Name	2 Amount Paid
.....
.....

35.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any?\$92,888

35.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payment expenditures in connection with matters before legislative bodies, officers or departments of government during the period covered by this statement.

1 Name	2 Amount Paid
Mitchell Tardy Government Affairs	63,000
.....

ANNUAL STATEMENT FOR THE YEAR 2015 OF THE Anthem Health Plans of Maine, Inc.

Lobbying expenses disclosed reflect amounts reported in the Lobbyist Disclosure Reports filed with the Secretary of State as well as the cost of external contractors who provided lobbying services to the Company. The amount may include expenses that may have been paid by an affiliate on behalf of the Company and, as a result, may not be included in the Underwriting Gain reported on page 4 of the 2015 Annual Statement.

GENERAL INTERROGATORIES

PART 2 - HEALTH INTERROGATORIES

1.1

Does the reporting entity have any direct Medicare Supplement Insurance in force?

Yes [X] No []

1.2

If yes, indicate premium earned on U.S. business only.

\$ 43,515,725

1.3

What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit?

\$ 0

1.31

Reason for excluding

1.4

Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above

\$ 0

1.5

Indicate total incurred claims on all Medicare Supplement Insurance.

\$ 36,760,115

1.6

Individual policies:

Most current three years:

1.61

Total premium earned

\$ 9,137,168

1.62

Total incurred claims

\$ 7,851,633

1.63

Number of covered lives

5,423

All years prior to most current three years:

1.64

Total premium earned

\$ 34,373,642

1.65

Total incurred claims

\$ 28,904,941

1.66

Number of covered lives

14,830

1.7

Group policies:

Most current three years:

1.71

Total premium earned

\$ 0

1.72

Total incurred claims

\$ 0

1.73

Number of covered lives

0

All years prior to most current three years:

1.74

Total premium earned

\$ 4,915

1.75

Total incurred claims

\$ 3,541

1.76

Number of covered lives

2

2.

Health Test:

1

Current Year

2

Prior Year

2.1

Premium Numerator

1,018,007,768

1,009,056,404

2.2

Premium Denominator

1,018,007,768

1,009,056,404

2.3

Premium Ratio (2.1/2.2)

1.000

1.000

2.4

Reserve Numerator

179,250,434

186,815,034

2.5

Reserve Denominator

179,250,434

186,815,034

2.6

Reserve Ratio (2.4/2.5)

1.000

1.000

3.1

Has the reporting entity received any endowment or gift from contracting hospitals, physicians, dentists, or others that is agreed will be returned when, as and if the earnings of the reporting entity permits?

Yes [] No [X]

3.2

If yes, give particulars:

4.1

Have copies of all agreements stating the period and nature of hospitals', physicians', and dentists' care offered to subscribers and dependents been filed with the appropriate regulatory agency?

Yes [X] No []

4.2

If not previously filed, furnish herewith a copy(ies) of such agreement(s). Do these agreements include additional benefits offered?

Yes [] No []

5.1

Does the reporting entity have stop-loss reinsurance?

Yes [] No [X]

5.2

If no, explain:
Anthem, Inc. has financial reserves available to cover catastrophic losses. Also see the response to question 6 below.

5.3

Maximum retained risk (see instructions)

5.31

Comprehensive Medical

\$

5.32

Medical Only

\$

5.33

Medicare Supplement

\$

5.34

Dental & Vision

\$

5.35

Other Limited Benefit Plan

\$

5.36

Other

\$

6.

Describe arrangement which the reporting entity may have to protect subscribers and their dependents against the risk of insolvency including hold harmless provisions, conversion privileges with other carriers, agreements with providers to continue rendering services, and any other agreements:
Effective July 1, 2000, the Company entered into an Insolvency Agreement with Anthem Insurance Companies, Inc. ("AICI"), whereby AICI reinsures certain liabilities in the event of the Company's insolvency, in accordance with Condition 11 of the Decision and Order of the Superintendent of Insurance dated May 25, 2000. The majority of provider and professional contracts include Hold Harmless provisions.

7.1

Does the reporting entity set up its claim liability for provider services on a service date basis?

Yes [X] No []

7.2

If no, give details

8.

Provide the following information regarding participating providers:

8.1

Number of providers at start of reporting year

5,149

8.2

Number of providers at end of reporting year

5,805

9.1

Does the reporting entity have business subject to premium rate guarantees?

Yes [X] No []

9.2

If yes, direct premium earned:

9.21

Business with rate guarantees between 15-36 months

\$ 1,191,463

9.22

Business with rate guarantees over 36 months

\$ 0

28

GENERAL INTERROGATORIES

10.1 Does the reporting entity have Incentive Pool, Withhold or Bonus Arrangements in its provider contracts? Yes [X] No []

10.2 If yes:

10.21 Maximum amount payable bonuses.....\$387,304

10.22 Amount actually paid for year bonuses.....\$6,172,751

10.23 Maximum amount payable withholds.....\$

10.24 Amount actually paid for year withholds.....\$

11.1 Is the reporting entity organized as:

11.12 A Medical Group/Staff Model, Yes [] No [X]

11.13 An Individual Practice Association (IPA), or, . Yes [] No [X]

11.14 A Mixed Model (combination of above)? Yes [] No [X]

11.2 Is the reporting entity subject to Statutory Minimum Capital and Surplus Requirements? Yes [X] No []

11.3 If yes, show the name of the state requiring such minimum capital and surplus. Maine

11.4 If yes, show the amount required.\$67,438,168

11.5 Is this amount included as part of a contingency reserve in stockholder's equity? Yes [] No [X]

11.6 If the amount is calculated, show the calculation

250% of Health Risk-Based Capital Authorized Control Level (250% x 26,975,267)

12. List service areas in which reporting entity is licensed to operate:

1
Name of Service Area
State of Maine
.....

13.1 Do you act as a custodian for health savings accounts? Yes [] No [X]

13.2 If yes, please provide the amount of custodial funds held as of the reporting date.\$

13.3 Do you act as an administrator for health savings accounts? Yes [] No [X]

13.4 If yes, please provide the balance of funds administered as of the reporting date.\$

14.1 Are any of the captive affiliates reported on Schedule S, Part 3, authorized reinsurers? Yes [] No [] N/A [X]

14.2 If the answer to 14.1 is yes, please provide the following:

1	2 NAIC Company Code	3 Domiciliary Jurisdiction	4 Reserve Credit	Assets Supporting Reserve Credit		
				5 Letters of Credit	6 Trust Agreements	7 Other
Company Name						
.....						

15. Provide the following for individual ordinary life insurance* policies (U.S. business only) for the current year (prior to reinsurance assumed or ceded):

15.1 Direct Premium Written\$

15.2 Total Incurred Claims\$

15.3 Number of Covered Lives

*Ordinary Life Insurance Includes
Term(whether full underwriting, limited underwriting, jet issue, "short form app")
Whole Life (whether full underwriting, limited underwriting, jet issue, "short form app")
Variable Life (with or without secondary gurarantee)
Universal Life (with or without secondary gurarantee)
Variable Universal Life (with or without secondary gurarantee)

FIVE-YEAR HISTORICAL DATA

	1 2015	2 2014	3 2013	4 2012	5 2011
Balance Sheet (Pages 2 and 3)					
1. Total admitted assets (Page 2, Line 28)	397,874,610	386,331,134	417,586,557	414,872,761	480,875,394
2. Total liabilities (Page 3, Line 24)	243,869,220	245,114,594	254,457,790	272,083,384	256,232,599
3. Statutory minimum capital and surplus requirement	67,438,168	54,129,572	53,969,483	67,232,585	73,521,080
4. Total capital and surplus (Page 3, Line 33)	154,005,390	141,216,540	163,128,767	142,789,377	224,642,795
Income Statement (Page 4)					
5. Total revenues (Line 8)	1,034,467,608	1,017,422,645	1,030,801,403	1,019,237,796	1,025,436,671
6. Total medical and hospital expenses (Line 18)	894,409,814	881,762,936	880,921,157	885,383,621	893,500,729
7. Claims adjustment expenses (Line 20)	26,622,661	25,002,895	29,079,545	28,890,134	22,304,283
8. Total administrative expenses (Line 21)	78,786,392	82,569,667	62,677,317	55,953,745	54,560,469
9. Net underwriting gain (loss) (Line 24)	35,771,567	26,661,598	58,123,384	49,010,296	55,071,190
10. Net investment gain (loss) (Line 27)	8,141,889	9,176,727	10,485,058	11,482,732	10,270,350
11. Total other income (Lines 28 plus 29)	19,675	34,638	89,344	526,949	87,884
12. Net income or (loss) (Line 32)	22,173,708	19,151,955	48,369,863	39,914,880	44,971,547
Cash Flow (Page 6)					
13. Net cash from operations (Line 11)	19,255,584	11,995,582	56,132,420	61,741,133	67,958,446
Risk-Based Capital Analysis					
14. Total adjusted capital	154,005,390	141,216,540	163,128,767	142,789,377	224,642,795
15. Authorized control level risk-based capital	26,975,267	21,651,829	21,587,793	26,893,034	29,408,432
Enrollment (Exhibit 1)					
16. Total members at end of period (Column 5, Line 7)	318,477	314,817	322,828	333,445	351,780
17. Total members months (Column 6, Line 7)	3,826,114	3,829,227	3,948,805	4,161,407	4,178,537
Operating Percentage (Page 4) (Item divided by Page 4, sum of Lines 2, 3 and 5) x 100.0					
18. Premiums earned plus risk revenue (Line 2 plus Lines 3 and 5)	100.0	100.0	100.0	100.0	100.0
19. Total hospital and medical plus other non-health (Lines 18 plus Line 19)	86.5	86.7	85.5	86.9	87.1
20. Cost containment expenses	1.3	1.3	1.6	1.5	1.3
21. Other claims adjustment expenses	1.3	1.2	1.2	1.3	0.9
22. Total underwriting deductions (Line 23)	96.5	97.4	94.4	95.2	94.6
23. Total underwriting gain (loss) (Line 24)	3.5	2.6	5.6	4.8	5.4
Unpaid Claims Analysis (U&I Exhibit, Part 2B)					
24. Total claims incurred for prior years (Line 13, Col. 5)	83,739,728	89,938,235	85,336,984	87,236,027	66,790,914
25. Estimated liability of unpaid claims-[prior year (Line 13, Col. 6)]	92,486,810	90,986,279	93,174,550	98,911,529	71,033,179
Investments In Parent, Subsidiaries and Affiliates					
26. Affiliated bonds (Sch. D Summary, Line 12, Col. 1)					0
27. Affiliated preferred stocks (Sch. D Summary, Line 18, Col. 1)					
28. Affiliated common stocks (Sch. D Summary, Line 24, Col. 1)					0
29. Affiliated short-term investments (subtotal included in Schedule DA Verification, Col. 5, Line 10)	0	0	0	0	0
30. Affiliated mortgage loans on real estate					
31. All other affiliated					
32. Total of above Lines 26 to 31	0	0	0	0	0
33. Total investment in parent included in Lines 26 to 31 above.					

NOTE: If a party to a merger, have the two most recent years of this exhibit been restated due to a merger in compliance with the disclosure requirements of SSAP No. 3, Accounting Changes and Correction of Errors?

Yes [] No []

If no, please explain:

ANNUAL STATEMENT FOR THE YEAR 2015 OF THE Anthem Health Plans of Maine, Inc.

SCHEDULE T PREMIUMS AND OTHER CONSIDERATIONS

Allocated by States and Territories										
States, etc.	1	Direct Business Only								
		2	3	4	5	6	7	8	9	
	Active Status	Accident & Health Premiums	Medicare Title XVIII	Medicaid Title XIX	Federal Employees Health Benefits Plan Premiums	Life & Annuity Premiums & Other Considerations	Property/ Casualty Premiums	Total Columns 2 Through 7	Deposit-Type Contracts	
1. Alabama	AL	N						0		
2. Alaska	AK	N						0		
3. Arizona	AZ	N						0		
4. Arkansas	AR	N						0		
5. California	CA	N						0		
6. Colorado	CO	N						0		
7. Connecticut	CT	N						0		
8. Delaware	DE	N						0		
9. District of Columbia	DC	N						0		
10. Florida	FL	N						0		
11. Georgia	GA	N						0		
12. Hawaii	HI	N						0		
13. Idaho	ID	N						0		
14. Illinois	IL	N						0		
15. Indiana	IN	N						0		
16. Iowa	IA	N						0		
17. Kansas	KS	N						0		
18. Kentucky	KY	N						0		
19. Louisiana	LA	N						0		
20. Maine	ME	L	813,520,336	14,987,204	190,064,080			1,018,571,620		
21. Maryland	MD	N						0		
22. Massachusetts	MA	N						0		
23. Michigan	MI	N						0		
24. Minnesota	MN	N						0		
25. Mississippi	MS	N						0		
26. Missouri	MO	N						0		
27. Montana	MT	N						0		
28. Nebraska	NE	N						0		
29. Nevada	NV	N						0		
30. New Hampshire	NH	N						0		
31. New Jersey	NJ	N						0		
32. New Mexico	NM	N						0		
33. New York	NY	N						0		
34. North Carolina	NC	N						0		
35. North Dakota	ND	N						0		
36. Ohio	OH	N						0		
37. Oklahoma	OK	N						0		
38. Oregon	OR	N						0		
39. Pennsylvania	PA	N						0		
40. Rhode Island	RI	N						0		
41. South Carolina	SC	N						0		
42. South Dakota	SD	N						0		
43. Tennessee	TN	N						0		
44. Texas	TX	N						0		
45. Utah	UT	N						0		
46. Vermont	VT	N						0		
47. Virginia	VA	N						0		
48. Washington	WA	N						0		
49. West Virginia	WV	N						0		
50. Wisconsin	WI	N						0		
51. Wyoming	WY	N						0		
52. American Samoa	AS	N						0		
53. Guam	GU	N						0		
54. Puerto Rico	PR	N						0		
55. U.S. Virgin Islands	VI	N						0		
56. Northern Mariana Islands	MP	N						0		
57. Canada	CAN	N						0		
58. Aggregate other alien	OT	XXX	0	0	0	0	0	0	0	0
59. Subtotal	XXX		813,520,336	14,987,204	0	190,064,080	0	0	1,018,571,620	0
60. Reporting entity contributions for Employee Benefit Plans	XXX							0		
61. Total (Direct Business)	(a) 1		813,520,336	14,987,204	0	190,064,080	0	0	1,018,571,620	0
DETAILS OF WRITE-INS										
58001.	XXX									
58002.	XXX									
58003.	XXX									
58998. Summary of remaining write-ins for Line 58 from overflow page	XXX		0	0	0	0	0	0	0	0
58999. Totals (Lines 58001 through 58003 plus 58998)(Line 58 above)	XXX		0	0	0	0	0	0	0	0

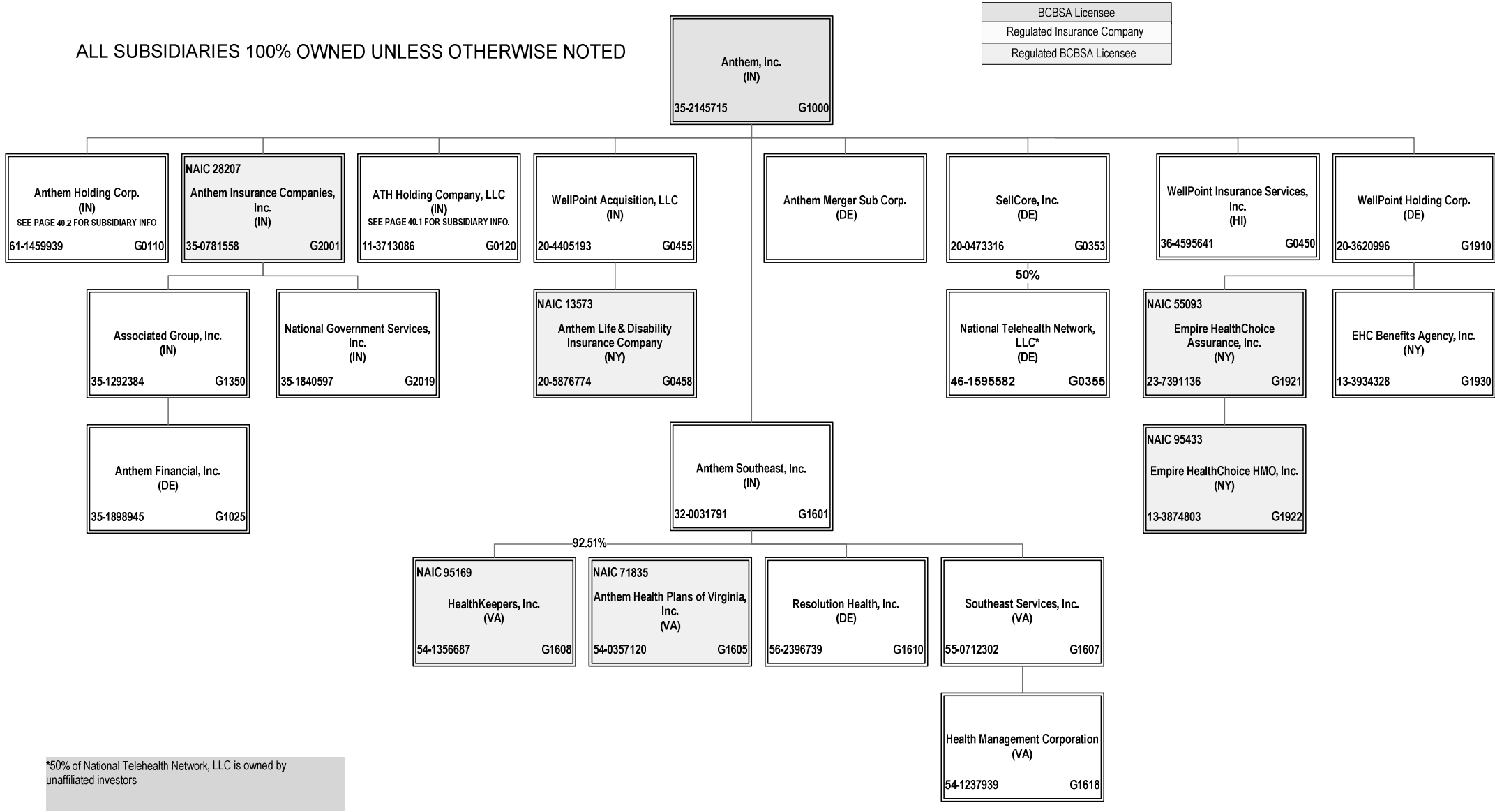
(L) Licensed or Chartered - Licensed Insurance Carrier or Domiciled RRG; (R) Registered - Non-domiciled RRGs; (Q) Qualified - Qualified or Accredited Reinsurer; (E) Eligible - Reporting Entities eligible or approved to write Surplus Lines in the state; (N) None of the above - Not allowed to write business in the state.

Explanation of basis of allocation by states, premiums by state, etc.

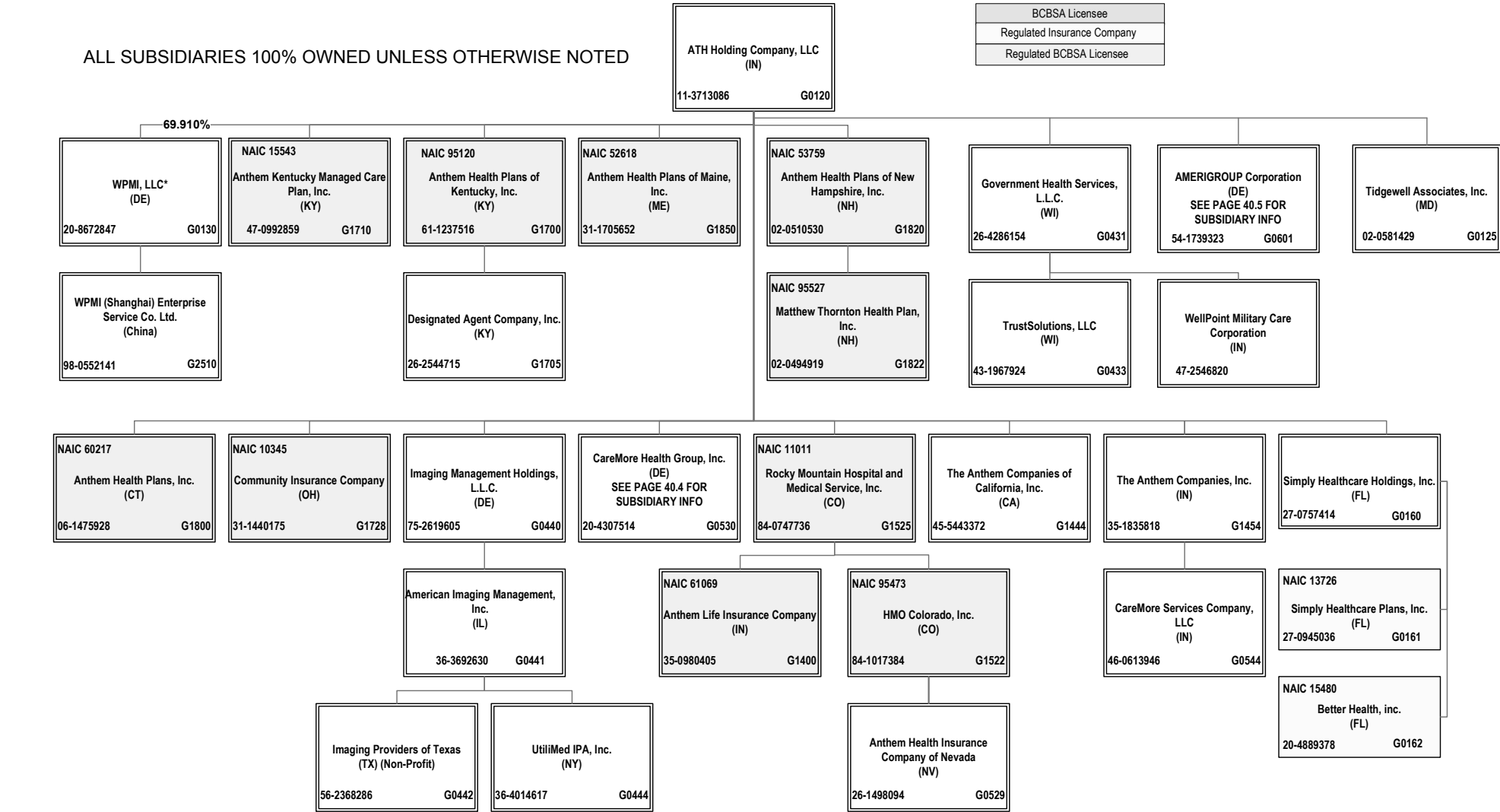
Premium amounts are allocated based on residence of insured

(a) Insert the number of L responses except for Canada and Other Alien.

SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP
PART 1 – ORGANIZATIONAL CHART



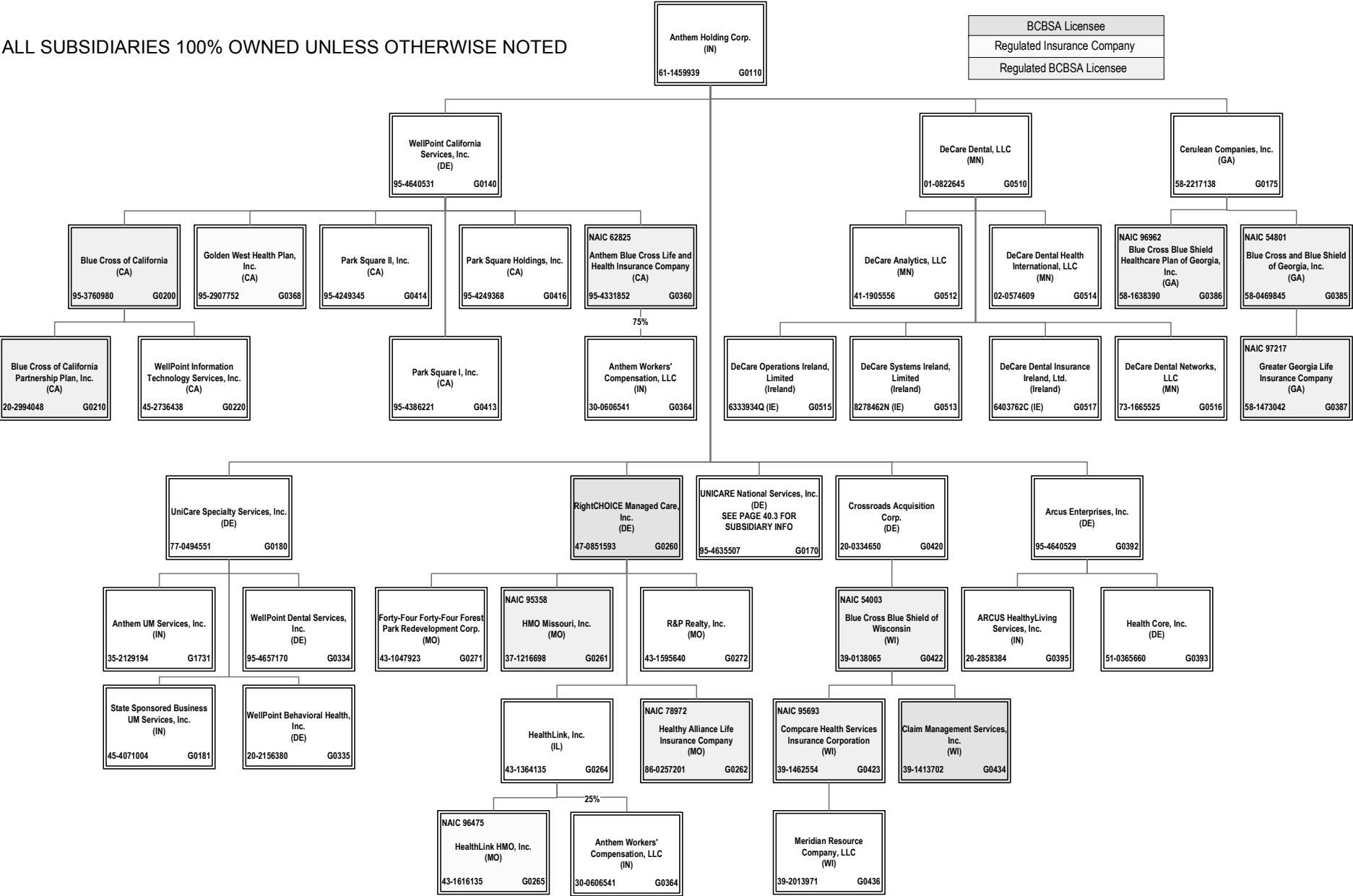
SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP
PART 1 – ORGANIZATIONAL CHART



*30.09% of WPMI, LLC is owned by unaffiliated investors

SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP
PART 1 – ORGANIZATIONAL CHART

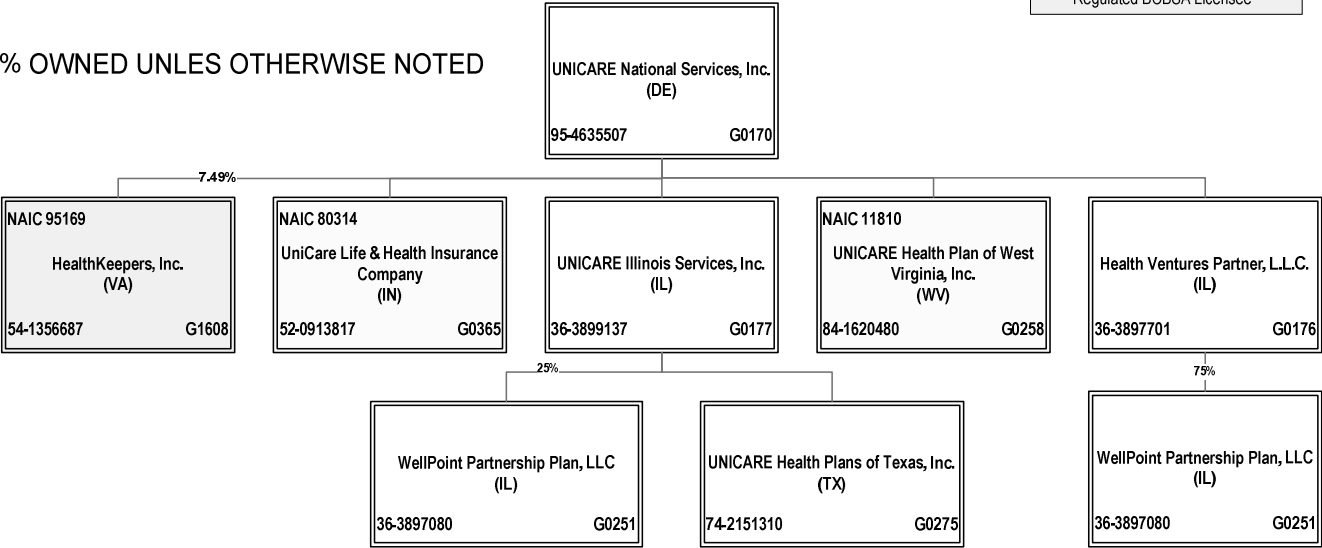
ALL SUBSIDIARIES 100% OWNED UNLESS OTHERWISE NOTED



SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP
PART 1 – ORGANIZATIONAL CHART

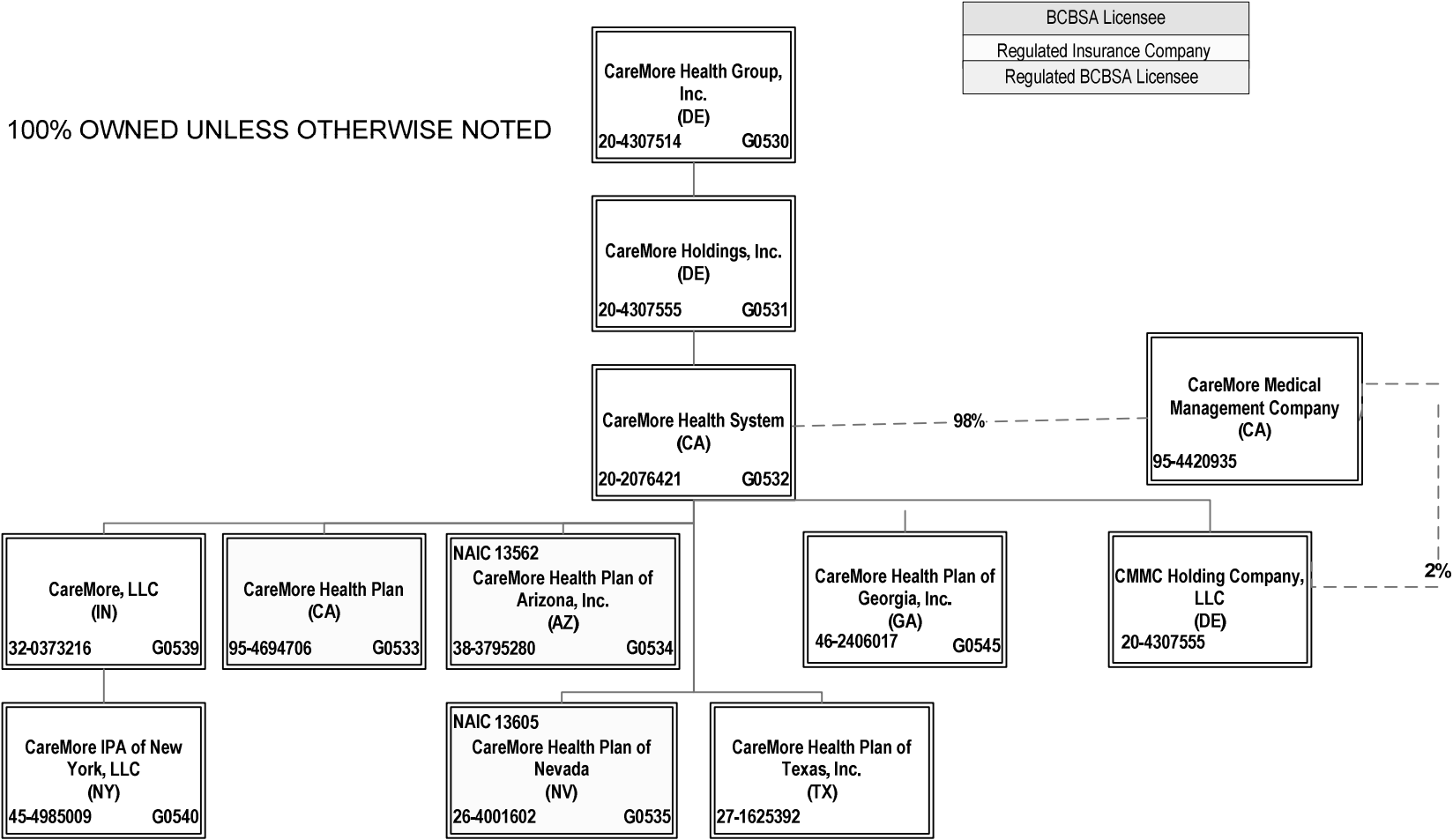
ALL SUBSIDIARIES 100% OWNED UNLES OTHERWISE NOTED

BCBSA Licensee
Regulated Insurance Company
Regulated BCBSA Licensee



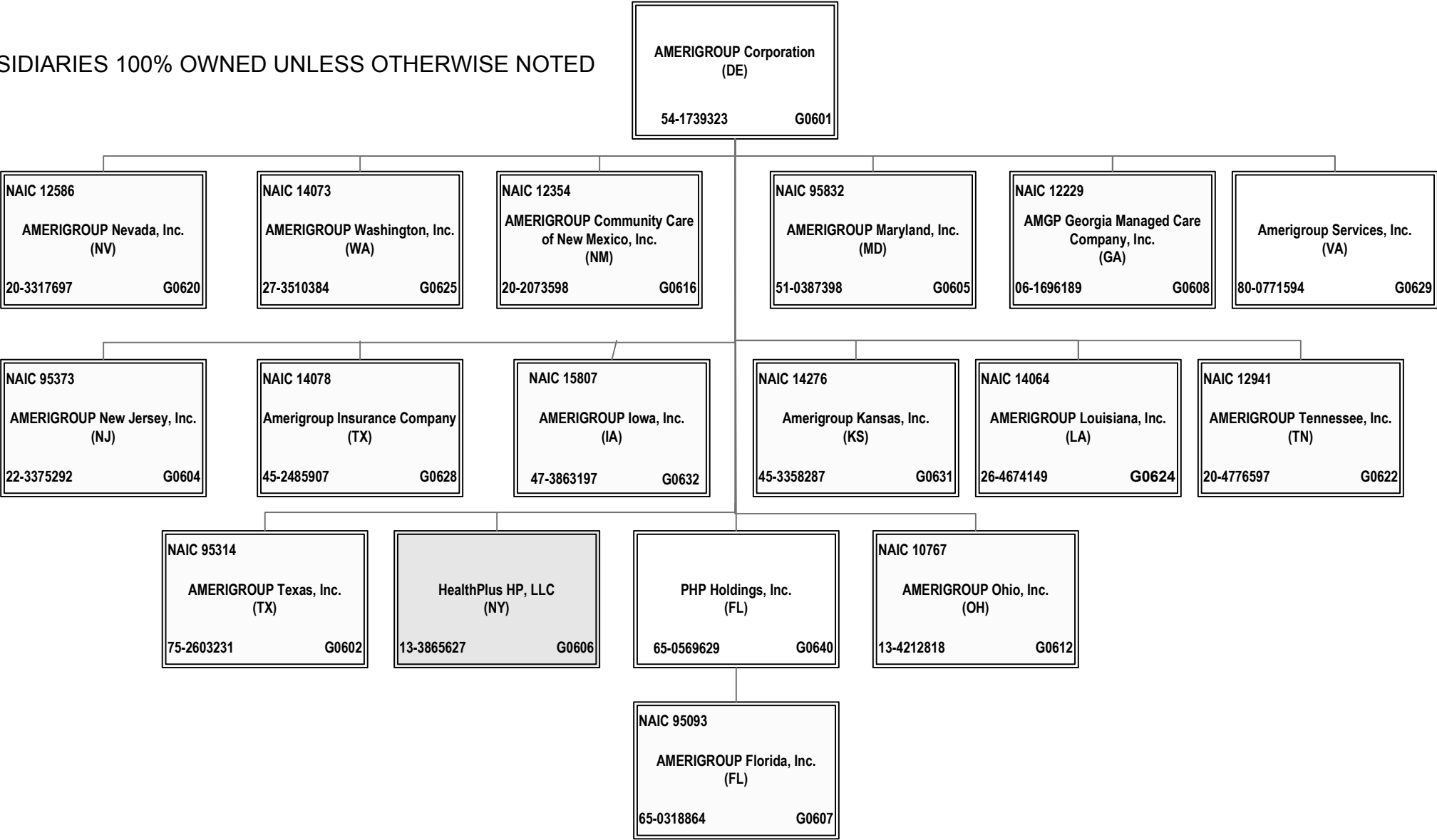
SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP
PART 1 – ORGANIZATIONAL CHART

ALL SUBSIDIARIES 100% OWNED UNLESS OTHERWISE NOTED



SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP
PART 1 – ORGANIZATIONAL CHART

ALL SUBSIDIARIES 100% OWNED UNLESS OTHERWISE NOTED



OVERFLOW PAGE FOR WRITE-INS

Additional Write-ins for Assets Line 25

	Current Year			Prior Year
	1	2	3	4
	Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	Net Admitted Assets
2504. State Tax Recoverable	390,626	390,626	0	0
2505. ACA Risk Adjustment Receivable	0	0	0	2,716,000
2597. Summary of remaining write-ins for Line 25 from overflow page	390,626	390,626	0	2,716,000

Additional Write-ins for Liabilities Line 23

	Current Year			Prior Year
	1	2	3	4
	Covered	Uncovered	Total	Total
2304. Other Liabilities	816,868		816,868	1,898,260
2305. Performance Guarantee Liability	298,597		298,597	394,236
2306. Blue Card Liabilities	3,863		3,863	414,608
2397. Summary of remaining write-ins for Line 23 from overflow page	1,119,328	0	1,119,328	2,707,104

ANNUAL STATEMENT FOR THE YEAR 2015 OF THE Anthem Health Plans of Maine, Inc.

OVERFLOW PAGE FOR WRITE-INS

Additional Write-ins for Exhibit 1 Line 6

Source of Enrollment		Total Members at End of					6 Current Year Member Months
		1 Prior Year	2 First Quarter	3 Second Quarter	4 Third Quarter	5 Current Year	
0604.	Vision	82,337	85,297	85,462	79,710	78,588	948,194
0605.	Stoploss	23,478	28,514	30,998	30,889	30,863	363,827
0606.	Consumer Driven Health Products	15,893	12,946	12,800	12,852	13,206	154,977
0697.	Summary of remaining write-ins for Line 6 from overflow page	121,708	126,757	129,260	123,451	122,657	1,466,998

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